

DON'T BUY BIG BEER'S BLATHER.

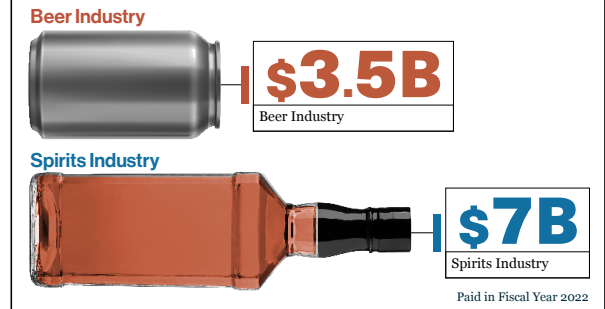
FACTS ON BIG BEER'S DISINFORMATION CAMPAIGN

FACT: Distillers Pay Twice as Much as Brewers in Federal Excise Tax

In fiscal year 2022, distillers paid \$7 billion in federal excise taxes while beer paid only \$3.5 billion. On the state level, spirits pay \$4.3 billion in excise taxes while beer pays \$2.2 billion.

Distillers have to pay \$13.50 in FET for every proof gallon they distill vs. brewers who only have to pay \$5.81 for every proof gallon they brew.

Spirits Pay Two Times More Than Beer in Federal Excise Taxes



52%
Spirits Bottle Price
Going Towards Taxes



FACT: Spirits Sector Is One Of The Most Heavily Taxed Industries

When you factor in federal, state and local taxes, more than 52% of the price of a typical bottle of spirits goes toward a tax of some kind.

FACT: Big Beer Blocks Competition to Preserve Market Power

In addition to enjoying significantly lower taxes, big beer lobbies to limit stores where spirits products can be sold. Beer, including malt-based ready-to-drink products (RTDs), is sold in 3.4 times more retail outlets than spirits. That's nearly 200,000 fewer retail options for spirits consumers.

This anti-consumer, anti-competitive effort to block consumers from accessing the products they want includes spirits RTDs. These products have a similar alcohol content as malt RTDs, yet big beer has worked to kill commonsense legislation that would allow these lower alcohol spirits products to be sold in the same locations.

Beer is Sold in 3.4 Times More Retail Outlets than Spirits



79,000
Retail Outlets Selling Spirits

VS.

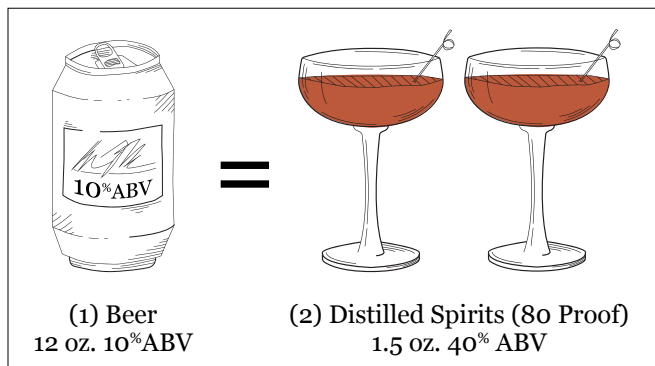


265,000
Retail Outlets Selling Beer

FACT: Big Beer Dangerously Misleads Consumers by Claiming Beer is the “Drink of Moderation”

The suggestion that beer is “safer” than other forms of alcohol is incredibly irresponsible. As the CDC notes, “It is the amount of alcohol consumed that affects a person most, not the type of alcoholic drink.”* According to the U.S. Dietary Guidelines for Americans, standard drink equivalents of distilled spirits, beer and wine all contain the same amount of alcohol. A standard drink is defined as a cocktail with 1.5 ounces of distilled spirits with 40% alcohol by volume (ABV), a 12-ounce beer with 5% ABV and a 5 ounce glass of wine with 12% ABV.

The amount of alcohol in a beer may be higher than 5%.
Learn more at www.standarddrinks.org



FACT: Big Beer Is Making Baseless Claims About Vital Tax Provisions

Rum Cover Over Program Supports Economic Development in U.S. Territories

The rum cover over is a longstanding program between the U.S. government and the territories of Puerto Rico and the U.S. Virgin Islands where the Federal Excise Tax on rum sold in the U.S. is remitted to the territories for necessary government services, environmental protection and economic development.

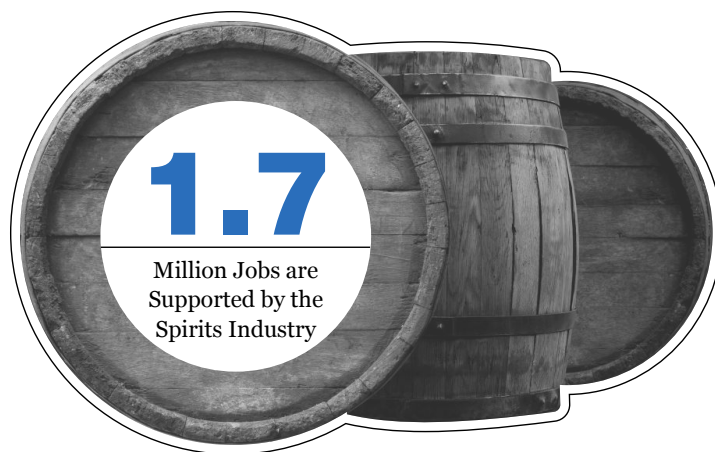
Section 5010 Was Instituted to Promote More Equitable Taxation

Since 1980, Section 5010 has been an important mechanism for providing more equitable tax treatment between the alcohol categories. Specifically, Section 5010 ensures any wine-based alcohol used in a spirits product is taxed at the wine rate, not the spirits rate.

In addition, Section 5010 says that any alcohol flavoring (e.g., vanilla) that does not exceed 2.5% of a distilled spirit's total alcohol content is not taxed at the spirits rate.

FACT: More Than 1.7 Million Jobs Are Supported by the Spirits Industry

The spirits sector contributes \$200 billion to the U.S. economy. The spirits industry is a major contributor to the U.S. economy supporting the manufacturing, hospitality, tourism and agriculture industries. The spirits industry also fosters job creation and supports small businesses in the agriculture, hospitality and tourism industries.



*Centers for Disease Control and Prevention. (2022). Alcohol & Public Health: Frequently Asked Questions. “Is beer or wine safer to drink than liquor?”