



February 18, 2015

The Honorable Steve Womack
1119 Longworth House Office Building
Washington, DC 20515

The Honorable Ron Kind
1502 Longworth House Office Building
Washington, DC 20515

Testimony in Support of H.R. 767 - Fair Brewers Excise and Economic Relief Act of 2015 (Fair BEER Act)

Dear Congressman Womack and Congressman Kind:

On behalf of the Glass Packaging Institute (GPI), the trade association for the glass container manufacturers of beverage and food containers, as well as suppliers to our collective industry, **I would like to strongly express our support for your legislation, for H.R. 767, the Fair Brewers Excise and Economic Relief Act of 2015 (Fair BEER Act).**

The glass container industry directly employs 18,000 Americans in 47 glass container manufacturing plants throughout the country. Their operations provide support and supply containers to thousands of small and large breweries around the country.

This key legislation creates a graduated, equitable tax structure, simplifying the tax code in a comprehensive way that benefits brewers of all sizes. Beer tax reform must be comprehensive or it will create new barriers to growth by altering the industry structure.

The Fair BEER Act enables members of Congress to support brewpubs, microbrewers, national craft brewers, major brewers and beer importers, without picking winners and losers among a U.S. manufacturing industry that is vital to our national economy.

The federal excise tax on beer is a major contributor to the burden on beer itself. It is estimated that more than 40 percent of the retail price of beer goes toward taxes. Research shows that the tax burden borne by beer drinkers is more than 68 percent higher than for the average purchase made in the U.S.

The Fair BEER Act simplifies and reforms the federal beer tax in an equitable,

comprehensive way for all companies that brew or import beer.

Importantly, it is estimated that this modest tax reduction would provide the growing craft brewer industry with an additional \$27.1 million annually. This money may be utilized by these businesses to support significant long-term investments and to create job growth in their companies.

Please contact me should you have any questions regarding our support of this important legislation.

Sincerely,

Lynn Bragg

A handwritten signature in black ink that reads "Lynn M. Bragg". The signature is written in a cursive style with a large, stylized "L" and "B".

Lynn M. Bragg
President

Cc: Members, U.S. House Ways and Means Committee