



Put In Your 2¢ Worth...

About 2¢ a drink yields \$44 million annually to reduce the impact of alcohol problems in Missouri.

Question:

A legislator asks: In a February 5 letter to the editor of the St. Louis Post-Dispatch, a brewery executive writes that “Missouri collected \$758.7 million in state and local taxes on beer” in the most recent year. My FY2006 budget document lists beer tax revenue of \$8.3 million in FY2004. Which of the two numbers is correct?

Answer:

If the larger number were true, it would warrant the bold caption “Beer tax in Missouri is already high.” It is not true. He confuses the issue by combining other kinds of taxes with the state excise charge on beer. If we are going to talk about the state excise tax on beer (the only charge which has been proposed for surcharge, as an “impact fee”), we should not confuse readers by bringing other taxes into the discussion. The proverbial apples should be compared with apples, not with a fruit salad.

MISSOURI ALCOHOL IMPACT FACT #19

- When engaging in a debate about an issue, comparisons should be fair, honest and appropriate, and should not be (intentionally or unintentionally) confusing. If the subject were birdseed instead of beer, it could be said that there IS a tax on birdseed in Missouri, but there is NO “birdseed tax.”
- Missourians pay taxes on many commodities, but Missouri law recognizes that alcohol is no ordinary commodity. No other commodity is the subject of two entire chapters and more than 350 sections of the Revised Statutes of the State of Missouri – or, for that matter, two amendments to the U.S. Constitution. The risks to health and safety of alcohol misuse, abuse and addiction are clearly recognized.
- If \$758.7 million, rather than a mere \$8.3 million, had really been collected in excise charges on beer in Missouri last year, the revenue would have gone a long way toward funding essential services, and would have made this year’s decisions less difficult.
- The proposal for a two-cent increase in the current rates may seem like a substantial one, but the current beer excise rates are only \$0.06 per gallon, or \$0.006 per 12-ounce beer. The Coalition believes that the proposal is modest, reasonable, and painless.
- It is counter-intuitive to think that a two-cent increase per drink would stop beer drinkers from purchasing or consuming their favorite adult beverage. If that were true, the brewers would not have imposed increases on their own, without a corresponding increase in the excise rate. In other words, business will not be hurt.

Missouri’s Alcohol Impact Coalition members below:

Alicia Ozenberger
Missouri’s Youth Adult Alliance
573/635-6669
aozenberger@actmissouri.org

Gerrit DenHartog
Community Activist/Alcohol Policy Consultant
573/893-5448
gdenhartog@sprintmail.com

Angela Hirsch
MADD-Jefferson City
573/636-2460
madd-ed@earthlink.net