



SB 1564: The Distiller's Tax Break

Senate Business and Transportation – Jody Wiser – 2.5.2018

The Oregon Liquor Control Commission predicts the biennial cost for this bill could range from \$4.7 million to \$23.5 million, not including any additional compensation for out of state distillers who choose to obtain an Oregon distillery license.

[While the Willamette Week article](#) saw this bill as a fight between big and little distillers, clearly the revenue loss makes it a fight between distillers and school children.

Though the industry seems to be thriving, craft distillers want relief from taxes they collect for the OLCC at their distilleries. This seems to be what happens when an industry group forms and hires lobbying help: perennial asks. Your answer to this industry should continue to be “no.”

The number of Oregon distillers has almost doubled from 46 to nearly 100 in four years – without this type of tax break. Hood River Distillers and Clear Creek Distillery have shown the way with strong long-term growth.

It looks like these businesses can manage just fine without a tax break that would take from the Oregon Liquor Control Commission the money it uses to make sure these same businesses aren't selling to minors or bootlegging, and that it distributes to cities, counties and the state for alcohol treatment, economic development, and other public uses. Further, this change would be totally unfair to the State's liquor store owners who would be left charging higher prices for the same products. As one store owner said, distillers are getting 100% mark up on their products. We're getting 8%.

The website for the Oregon Distillers Guild says:

Our mission is to spread the good word that Oregon is the premier destination for spirit aficionados, **while furthering our post Prohibition legislative agenda**, all in order to sustain and build our thriving craft spirits industry.

You'll need to continue saying “no.”