

REP. TERESE BERCEAU
PRESS RELEASE



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Contact: Rep. Terese Berceau
Phone: (608) 266-3784 or 279-5220

**Rep. Berceau Introduces
“2¢ for Alcohol Abuse Treatment” Legislation**

Legislation would minimally increase the beer tax, and use it to fund alcohol abuse treatment

MADISON—State Rep. Terese Berceau (D-Madison) introduced legislation today that would raise the Wisconsin beer tax — for the first time ever — by a minimal 2¢ per six-pack. The money from the increase would be used solely to fund alcohol abuse treatment throughout Wisconsin.

“The cost to society in terms of lives and property lost to alcohol abuse, as well as the cost of lost work hours, unemployment, rehabilitation, prisons, criminal courts, and all of the many ancillary costs of alcohol, has increased dramatically over the past 30 years while the beer tax has remained stagnant,” said Rep. Berceau.

“People have a duty to consume alcohol responsibly, however I believe that the largest producers of alcohol in Wisconsin bear some of the responsibility for the problems that their product creates,” said Berceau. “It is only fair that they help partially shoulder the burden of treating alcohol abuse, which has extracted a devastating toll on the individual lives and families of Wisconsin,” said Berceau. “Three hundred people die in Wisconsin annually of alcohol related accidents, and over 800 people die of alcohol related diseases in our state,” she added.

“Our current beer tax has remained frozen, since it was created in 1969 — the year that Neil Armstrong walked on the Moon,” said Rep. Berceau. “Over those long years, the tax on other alcohol products, cigarettes, and gasoline has been raised numerous times, and substantially. To highlight the inequity, the number of six-packs of beer that must be sold in Wisconsin to produce the same state excise tax revenues generated by one carton of cigarettes (10 packs) is **213!** No one can truthfully claim that a 2¢ increase per six-pack is in any way burdensome,” added Berceau.

“In 2001, almost 60,000 people received publicly funded alcohol treatment, which has cost the state millions. The increase in the beer user fee proposed by Rep. Berceau is long overdue, and will help lessen the onerous and growing burden on public funding for alcohol treatment,” said Nina Emerson, Director of the Resource Center on Impaired Driving of the UW Law School.

The beer tax has been so degraded through inflation that it has lost 80% of its value since it was set at \$2 per barrel in 1969. If adjusted for 2003 dollars, a barrel of beer would be taxed at over \$10 per barrel today. In contrast, Rep. Berceau’s bill proposes a mere \$1 a barrel increase.

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Fact Sheet on Wisconsin's Beer Tax

- Wisconsin has the third lowest beer tax in the nation (6½¢ per gallon, or \$2 per barrel).
- In comparison, our neighboring states charge two to three times more per gallon, e.g., Illinois (19¢), Minnesota (15¢), Indiana (12¢), and Michigan (20¢).
- It is anticipated that the revenue generated for alcohol abuse treatment from a 2¢ per six-pack increase would amount to \$4.7 million annually for Wisconsin.
- In comparison, Wisconsin raised the tax on alcohol and wine (but not beer) in 1981, and has increased the tax on cigarettes a whopping seven times since 1980 — and by significantly larger increments. In 1981-82 the cigarette tax was raised in three stages from 16¢ to 20¢ to 25¢ a pack. It was raised again to 30¢ in 1987, and to 38¢ in 1992, 44¢ in 1995, 59¢ in 1997, and 77¢ in 2001.
- Moreover, we tax gasoline in Wisconsin over four times more per gallon than beer.
- Wisconsin's small breweries and brewpubs pay only half of the beer tax, since a 50% tax credit is given to the first 50,000 barrels produced. They would continue to pay only half of any new increase.

