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**Transmitted via Electronic Mail: [tax.reform@mail.house.gov](mailto:tax.reform@mail.house.gov)**

The Honorable Vern Buchanan  
Chairman, Small Business/Pass Throughs Working Group  
United States House of Representatives  
2104 Raburn House Office Building  
Washington, D.C. 20515

Re: H.R. 494 – “Small BREW Act”

Congressman Buchanan:

I write to you today on behalf of the Florida Brewers Guild, an association representing over 50 small and independent breweries and brewpubs in the State of Florida, to urge you to recommend that any tax reform legislation considered by the Ways and Means Committee in the 113th Congress include an adjustment to the federal excise tax paid by small brewers as outlined in the bipartisan legislation, H.R. 494, introduced by Congressman Gerlach and Congressman Neal.

While we are excited about the growth of the industry, many of our existing breweries experience a bit of difficulty in finding the ready capital to purchase the necessary equipment to increase production and hire more full-time employees. The provisions of H.R. 494, which would recalibrate the federal excise tax on small brewers, would provide exactly what is needed to begin to expand capacity at breweries throughout the state. Naturally, this reinvestment will result in new jobs, increased revenue from taxes, purchase of new equipment, and the continued growth of this Florida industry.

Although Florida ranks 44<sup>th</sup> in the U.S. in breweries per capita, we continue to see double-digit growth in the industry over the past three years and there are approximately 15 new breweries currently in the planning and construction stages across the state. Each of these small businesses has found a welcome reception in their community and interest in Florida brewed beer is at an all-time high.

In your own home district alone, there are four operating breweries along with an additional large-scale production brewery, Motorworks Brewing Company, in the planning stages for downtown Bradenton.

Congressman Vern Buchanan

April 12, 2013

Page 2

Under current law, brewers making less than 2 million barrels of beer annually pay \$7 per barrel on the first 60,000 barrels they brew, and \$18 per barrel on every barrel thereafter. H.R. 494 would create a new rate structure that reflects the evolution of the small and independent American brewers. Under this legislation, the rate for the smallest brewers and brew pubs would be \$3.50 per barrel on the first 60,000 barrels. For production between 60,001 and 2 million barrels, the rate would be \$16 per barrel. Any brewer that exceeds 2 million barrels would begin paying the full \$18 rate at 2 million barrels. Brewers with an annual production of 6 million barrels or less would qualify for these tax rates.

H.R. 494 would recalibrate the federal excise tax paid by America's small brewers for the first time in nearly four decades and provide them with the additional capital they need to grow their businesses, increase production and hire more American workers. We urge the Working Group on Small Business/Pass Throughs to support the inclusion of this measure in any tax reform legislation considered by the Ways and Means Committee in the 113th Congress.

We believe that your support is crucial on this good legislation and that its passage would greatly benefit your constituents in the State of Florida. I would welcome the opportunity to host you at any of the breweries throughout the state to show you first hand the operations in our industry.

Please let me know what resources or information we could provide to help you in this matter. I sincerely appreciate your efforts to help us build a stronger brewing industry in Florida. Should you or your staff have any questions, please do not hesitate to contact me at your convenience.

On behalf of the brewers of Florida, thank you very much for your consideration.

Sincerely,

Joshua D. Aubuchon  
Executive Director, Florida Brewers Guild



JDA/jda

cc: Mr. Bob Pease, Brewers Association  
Mr. Shane Lieberman