WHEREAS, The State of Illinois is currently experiencing a fiscal crisis due to the COVID-19 pandemic and is considering a multitude of options to solve its economic concerns; and

WHEREAS, Increased excise taxes on Illinois brewers, winemakers, and distillers, many of which are small businesses, are being contemplated by some in the State's leadership in order to generate additional revenue to balance the State's budget; and

WHEREAS, Illinois' alcohol excise taxes already rank among the highest in the United States at $8.55 per gallon liquor tax (3rd highest), $1.39 per gallon wine tax (9th highest), and $0.23 per gallon beer tax (22nd highest); and

WHEREAS, Additional excise taxes on alcohol in Cook County and the City of Chicago, Illinois' most populous region, greatly increase the cost of beer, wine, and liquor for Illinois adult consumers; this includes a $2.68 per gallon tax on liquor imposed by the City of Chicago and a $2.50 per gallon liquor tax imposed by Cook County, a $0.36 to $0.89 per gallon tax on wine imposed by the City of Chicago and a $0.20 to $0.45 per gallon wine tax imposed by Cook County, and a $0.29 per gallon beer tax imposed by the City of Chicago and a $0.06 per gallon beer tax imposed by Cook County.
gallon beer tax imposed by Cook County; and

WHEREAS, Illinois' excise beer taxes are already the highest at $0.23 per gallon, compared to all of its neighboring states, including Wisconsin at $0.06 per gallon, Iowa at $0.19 per gallon, Missouri at $0.06 per gallon, Indiana at $0.11 per gallon, and Kentucky at $0.08 per gallon; and

WHEREAS, Illinois brewers, winemakers, and distillers, as well as importers, also pay federal excise taxes on the products they produce; and

WHEREAS, Illinois' beer industry, made up of brewers, beer importers, beer distributors, brewer suppliers, and retailers, contributes more than $10.1 billion annually to Illinois' economy and is linked to 86,400 local jobs; and

WHEREAS, Illinois' wine industry directly creates 36,403 jobs and generates $1.22 billion in wages and $2.98 billion in economic activity in the State; and

WHEREAS, When the state of Maryland increased their alcohol excise taxes from 6% to 9% in 2012, it resulted in Maryland residents traveling to Virginia, Delaware, and Washington, D.C. for cheaper alternatives, crippling Maryland
WHEREAS, Illinois' costly alcohol taxes continue to provoke border-town residents to find cheaper prices in neighboring states and to create black markets for overtaxed goods, diminishing state revenues, which by one estimate costs Illinois up to $30 million annually due to cross-border alcohol sales; and

WHEREAS, Additional taxes on alcohol in Illinois would cripple the ability of business owners, both large and small, to successfully recover from the devastating financial impact wrought by a global pandemic; and

WHEREAS, More taxes on beer, wine, and liquor would continue to ravage the already shattered hospitality industry in Illinois, driving opportunity, revenue, and jobs to neighboring states and hurting Illinois' already fragile economy; and

WHEREAS, Imposing additional taxes on brewers, winemakers, and distillers during a global pandemic is counterintuitive and goes against the pro-jobs policies that should be under careful consideration as Illinois seeks to regain sound financial footing; therefore, be it
RESOLVED, by the House of Representatives of the One Hundred Second General Assembly of the State of Illinois, that we state our firm opposition to any additional excise taxes on Illinois businesses that produce beer, wine, or liquor or their related industries; and be it further

RESOLVED, That we state our belief that Illinois' present fiscal crisis must be managed in other ways rather than increased taxes that unfairly target a single industry in the State.