



HR0272

LRB102 18194 MST 25795 r

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HOUSE RESOLUTION

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

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

10           WHEREAS, Illinois' alcohol excise taxes already rank among  
11 the highest in the United States at \$8.55 per gallon liquor tax  
12 (3rd highest), \$1.39 per gallon wine tax (9th highest), and  
13 \$0.23 per gallon beer tax (22nd highest); and

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

1 gallon beer tax imposed by Cook County; and

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

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

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

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

18 WHEREAS, When the state of Maryland increased their  
19 alcohol excise taxes from 6% to 9% in 2012, it resulted in  
20 Maryland residents traveling to Virginia, Delaware, and  
21 Washington, D.C. for cheaper alternatives, crippling Maryland

1 business in bordering counties; and

2 WHEREAS, Illinois' costly alcohol taxes continue to  
3 provoke border-town residents to find cheaper prices in  
4 neighboring states and to create black markets for overtaxed  
5 goods, diminishing state revenues, which by one estimate costs  
6 Illinois up to \$30 million annually due to cross-border  
7 alcohol sales; and

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

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

17 WHEREAS, Imposing additional taxes on brewers, winemakers,  
18 and distillers during a global pandemic is counterintuitive  
19 and goes against the pro-jobs policies that should be under  
20 careful consideration as Illinois seeks to regain sound  
21 financial footing; therefore, be it

1           RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE  
2 HUNDRED SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that  
3 we state our firm opposition to any additional excise taxes on  
4 Illinois businesses that produce beer, wine, or liquor or  
5 their related industries; and be it further

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