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Proposed beer tax taps patrons' frustrations

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– **Rick Dionne**, *vice president of Earl Smith Distributing in Port Huron*

PORT HURON – Local officials are not happy about a proposed beer tax that would raise the price of beer about a nickel a bottle.

The Michigan Child Welfare Improvement Task Force is expected to release a report next week, suggesting improved prevention and intervention programs which also will include a proposal to raise the beer tax to fund those programs.

Many believe the state should pursue other options for funding.

"Michigan citizens are already paying way too much tax for beer," said Rick Dionne, vice president of Earl Smith Distributing in Port Huron. "About 41% of the price of beer is taxes. It's already the highest beer tax in the Midwest."

Supporters say the 5-cent increase could raise more than \$100 million annually for the child-welfare programs.

Detractors say now is not the time for new taxes.

"It doesn't seem like a lot, but it's just going to be that much more [money](#) that people who are already struggling are going to have to pay," said David Minock, manager of the Spirits Shoppe in Port Huron. "In this economy, they shouldn't be trying to get nickels out of everybody."

Mark Griffin, president of the Michigan Petroleum Association and Michigan Association of Convenience stores, said the proposed tax could hurt business as well.

"There is no doubt Michigan tax policies are the best thing that happened to Indiana business," Griffin said. "The state needs to find a way to entice people to do business considering our economic times, not raise taxes and fees that will drive businesses out of the state."

A recent study, commissioned by the National Beer Wholesalers Association and the Beer Institute, revealed the beer industry directly and indirectly contributed more than \$4.9 billion to Michigan's economy.

The study also showed the industry provides Michigan with 60,591 jobs and \$1,747,859 in wages, including \$342,972,145 in federal, state and local taxes.

"No new tax is going to help us," Military Street Music Café owner Steve Pastewski said. "Unfortunately everyone in the business suffers. We don't raise prices; we just have to absorb it. It's frustrating."