



The Craft Beverage Modernization and Tax Reform Act went into effect on January 1, 2018. It was passed for a 2-year period. It benefits the cider industry in a number of ways:

- It increases the amount of Small Producer Tax Credits for the first 30,000 gallons of product. This benefits small producers.
- It makes sparkling cider producers eligible for the Small Producer Tax Credit for the first time. For the smallest producers it is a \$1 credit!
- It removes the barrier to growth cideries were facing by slowly phasing out the Small Producer Tax Credit up to 750,000 gallons.

Please check your taxes for 2018 and 2019 to make sure you are receiving the proper credits. We talk to producers everyday—small and large—that are sometimes owed hundreds or thousands of dollars in refunds.

This chart is of the EFFECTIVE rate after the credit has been applied.

Tax on Wine that is Removed or Imported During Calendar Years 2018 and 2019*				
Tax Class	Wine Gallons per Calendar Year			
	First 30,000	Over 30,000 up to 130,000	Over 130,000 up to 750,000	Over 750,000
Still Wine				
16% and under alcohol by volume (0.392g CO2/100mL or less)	\$0.07	\$0.17	\$0.535	\$1.07
Artificially Carbonated Wine				
Over 0.392g CO2/100mL - injected or otherwise added	\$2.30	\$2.40	\$2.765	\$3.30
Sparkling Wine				
Over 0.392g CO2/100mL - naturally occurring	\$2.40	\$2.50	\$2.865	\$3.40
Hard Cider				
No more than 0.64g CO2/100mL; derived primarily from apples/pears or apple/pear juice concentrate and water; containing no other fruit product or fruit flavoring other than apple/pear; and containing at least 0.5% and less than (not equal to) 8.5% alcohol by volume	\$0.164	\$0.17	\$0.193	\$0.226

* Additional rules apply. See the text of the [implementing law](#) for full details.

Your Membership Dollars at Work: We are working with a coalition of other alcohol associations to ensure these credits stick around. As of now, they are set to expire. Stay tuned for ways to get involved in grassroots actions to support the Craft Beverage Modernization and Tax Reform Act.

Curious how much you are saving under this bill? Email Michelle@ciderassociation.org.