



NEW YORK STATE SENATOR

Dale M. Volker

Beer Drinkers---Governor Paterson Wants More of Your Money!

DALE M. VOLKER April 24, 2009

(DEPEW, NY) Senator Dale M. Volker (R-I-C, Depew) today voiced concerns regarding Gov. David Paterson's adopted budget that increased the state's beer excise tax from 11 cents to 14 cents per gallon, in hopes of generating revenue for the state, will ultimately have the opposite effect.

The excise tax will raise the cost of beer and decrease volume sold, thus negatively impacting sales and eliminating jobs. This is extremely troubling since the adopted state budget includes over \$8 BILLION in new taxes and fees that takes more money from residents and businesses when they can least afford it.

Senator Dale M. Volker said, "America's beer industry, made up of brewers, beer importers, beer distributors, brewer suppliers, and retailers, directly and indirectly contributes \$11,273,532,979 annually to New York's economy. The industry's economic impact in New York includes 102,249 jobs -- paying \$3,855,217,367 in wages -- as well as \$449,129,503 in federal, state, and local taxes. Why the State of New York wants to penalize companies that create jobs, retain jobs, and pay taxes is simply mind boggling."

I continue to voice my views that it is not sound public policy, during a recession, to implement taxes that would eliminate jobs and thwart small-business growth, the very businesses that have created about 70 percent of new jobs nationally.

Beer already pays its fair share of taxes. On average, 40 percent of the cost of each beer is made up of taxes. The governor and the democratic leaders in both the State Senate and State Assembly now will increase taxes on this legal product and place more economic strain on brewers, beer importers, distributors and retailers.

There is no arguing the state needs to balance the budget and seek revenue, and I have proposed a “balanced” alternative budget that would reduce taxes, implement a job creation programs and allow business to grow and stay here in New York State. Instead, the adopted state budget that was created in secrecy with no public input was jammed down the throats of New Yorkers and financially assaults the middle class with over \$8 BILLION in new taxes and fees. The only thing this budget does well is tax, spend and further burdens job creating businesses that will only compound the debt issue facing New York State.