

Ohio House Finance Committee Testimony on HB 49 April 5, 2017

Chairman Smith, Vice Chairman Ryan, Ranking Member Cera and members of the Ohio House Finance Committee, my name is Scott Corbitt and I am the Region Vice President of State Affairs for Anheuser-Busch. Thank you for allowing me the opportunity to provide comments on the proposed tax increases in HB 49.

Anheuser-Busch operates twelve breweries in the United States, including one here in Columbus. Our Columbus facility brews approximately 10 million barrels of beer per year. With our three facilities in Ohio we employ nearly 800 Ohioans. In 2018, our Columbus Brewery will be celebrating its 50th anniversary and we are very proud to be here in the Buckeye State.

The current tax environment has allowed Anheuser-Busch to continue to invest in its facilities, its people and the high quality products we brew. That is why we and other industry members are so concerned about the tax proposals in HB 49. It is our estimation that 700 Ohioans would lose their jobs industry-wide in exchange for raising taxes by over \$30MM per year.

While our breweries compete against other competitor brands; we also compete against our own breweries. Production decisions, capital improvements and employment levels are constantly monitored and changes are made based on a variety of cost inputs including the overall tax environment of a given state.

The tax proposals in HB 49 presents challenges for the Columbus brewery to remain competitive and manage costs; ultimately reducing opportunities for our operations to make investments and support local jobs.

We urge this committee and the legislature to maintain the current beer excise tax rate and reinstate the credit for the prepayment of beer excise taxes.

Thank you Chairman Smith and committee members for your consideration.