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Bill Helps Growth of Michigan's Small Brewers

Brewer of Bell's Beers to Expand

Dec. 19, 2000 — Legislation sponsored by state Senator John J.H. Schwarz, M.D., R-Battle Creek, to support Michigan's small brewers and microbreweries has cleared the Legislature and been sent to Governor John Engler.

"This is a fair, common-sense approach to applying the Liquor Code," Schwarz said. "This bill will encourage growth and increased employment amongst Michigan's small brewers. In particular, I am pleased that this bill will help the Kalamazoo Brewing Company expand and employ more people in southwest Michigan."

Senate Bill 1064 amends the Michigan Liquor Control Code to allow brewers that produce under 50,000 barrels of beer per year to claim a credit of $2 per barrel against the $6.30 per barrel tax charged by the state. The bill limits the credit to the first 30,000 barrels produced, but raises the number of barrels that can be produced while still qualifying for the credit. Currently, brewers that make more than 30,000 barrels do not qualify for the credit.

(more)

The bill also changes the Code to allow brewers that produce under 200,000 barrels of beer per year to sell that beer for on-premises consumption at one of their licensed brewery premises.

Schwarz worked with Kalamazoo Brewing Company owner Larry Bell to develop the bill and get it passed.

Bell said that with the bill's passage, he now can begin work on a more than $4 million expansion of his brewery that will create 20 permanent jobs.

"Small, local brewers such as myself are glad to have the support of the Legislature as we do our part to create more jobs in Michigan," Bell said. "As a business owner, it makes me proud to be able to create additional jobs in our area.

"Without passage of this bill, it would have been difficult, if not impossible, for my brewery and many other small, Michigan-owned breweries to thrive and grow."

SB 1064 now awaits approval by the governor.

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