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BARTHOLOMEW COUNTY BCB
BEVERAGE CO., INC.
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August 7, 2003

Attn: TTB Notice No.4
Chief, Regulations and Procedures Division
Alcohol and Tobacco Tax and Trade Bureau
PO Box 50221
Washington, D.C. 20091-0221

Dear Sir or Madam:

Bartholomew County Beverage Company (BCB) Columbus, IN supports the proposed rule issued in March 2003 by the Tax and Trade Bureau (TTB) that outline the alcohol content requirements in order for flavored malt beverages (FMB) to be classified as beer, its alcohol content from distilled alcohol cannot exceed 0.5%.

I'm sure you are aware Beer is a unique product that has been regulated and taxed differently than other alcohol beverages throughout our nation's history. The employee's of BCB feel the TTB proposed rule is consistent with the historical interpretation of what constitutes beer and other malt beverages. The distinct regulatory treatment of beer is based on its age-old production process, and its definition in the Internal Revenue Code date back to the 1800s when Congress first imposed the beer excise tax. Adoption of the TTB "0.5 by volume standard" would ensure the integrity of beer and the brewing process.

In Indiana consistent regulatory policy is important because while states enjoy regulatory power over alcohol, most states like Indiana follow federal regulatory guidelines. In Indiana the proposed rule would help maintain an orderly marketplace and avoid costly and confusing disruption in state licensing, taxation and distribution policies, any of which would deal a severe blow to Indiana Beer Wholesalers. Equating beer and beverages that derive a majority of their alcohol content from distilled spirits could weaken the important distinctions between beer and products with higher alcohol content. These distinctions impact state and federal policies regarding the regulation and taxation of beer and other alcohol beverages.

If traditional distinctions disappear, it will only be a matter of time before other producers of alcohol beverages attempt to categorize themselves as beer products.

Beer is not distilled spirits. Beer is not fortified wine. Beer is not a product that has been made through the distillation process. Beer is made through the brewing process. The 0.5% standard will ensure that the integrity of beer remains. I personally understand the processes for I have worked for both sides.

Once again Bartholomew County Beverage and its employees encourages the TTB to give final approval to the proposed 0.5% standard on FMBs.

Sincerely,

Mark Weisner

Mark Weisner
Distributor Manager