

NEWS RELEASE

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Toasts Not Tariffs Coalition Sends Letter to President Biden in Advance of G-7 Urging Tariff Resolution as Part of U.S.-UK Bilateral Meeting

WASHINGTON – The <u>Toasts Not Tariffs Coalition</u>, 50 associations representing the entire threetier chain of the U.S. alcohol industry, sent a <u>letter</u> today to President Biden urging that he and Prime Minister Boris Johnson hammer out a deal to permanently remove U.S. and UK tariffs on distilled spirits and an agreement not to impose any additional tariffs on wines during their June 10 bilateral meeting on the sidelines of the G-7 Summit.

The coalition commended the Administration's progress in resetting the important U.S.-UK trading relationship, including the agreement to suspend tariffs for four-months in the WTO-Boeing-Airbus disputes.

The organizations raised concerns, however, that "the UK's continued application of the 25 percent retaliatory tariff on imports of American Whiskeys, including Bourbon, Tennessee Whiskey, American Rye Whiskey and American Single Malt Whiskey, has placed these products at a serious competitive disadvantage in the UK, resulting in a 53 percent decline in exports to our fourth largest export market between 2018-2020."

They also pointed to the UK's recently launched public consultation on the tariffs it has imposed since 2018 in response to U.S. steel and aluminum tariffs, noting that the proposed list retains American Whiskey and also includes American wine, which is not currently subject to tariffs.

The letter notes that the UK is the second largest export market for U.S. wine and "the imposition of a 25 percent retaliatory tariff on U.S. wine would have a significant negative impact on the top U.S. agricultural export to the UK."

The letter concluded, "As we have recently entered the third year of retaliatory tariffs on American Whiskeys, it is critically important for our industries, our farmer suppliers and the hospitality sector across the U.S. that the UK and U.S. agree as soon as possible to permanently remove tariffs on distilled spirits, and refrain from imposing any new tariffs on wine."

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