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QuickPoint! – Oregon Distilleries Deserve Better

By Helen Cook

How much would you be willing to pay in taxes for your local business?

Thirty-three percent of total sales from Oregon distilleries currently goes to the Oregon Liquor Control Commission. This means, on average, that the state makes a greater profit from tasting room sales than the distillers making the product. In comparison, beer and wine crafters remit 0% of tasting room sales to the state.

Oregon is a "Liquor Control State." This means that all liquor is owned by the state, entitling it to a certain percentage of each liquor sale. The revenue that distillers do receive from tasting room sales is actually a commission for selling the state's liquor.

Distilleries are struggling to stay afloat because of this control system. In fact, Cannon Beach Distillery recently decided to close rather than pay remittance to the state. Others are worried they might have to do likewise.

Granting distillery tasting rooms the same privileges as the beer and wine industries could be what keeps craft distilleries in Oregon from disappearing. Oregon distilleries deserve better.

Helen Cook is a Research Associate at Cascade Policy Institute, Oregon's free market public policy research organization.

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