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KBI Applauds Senators Wyden and Gardner, Congressmen Polis and Tipton for Introducing Legislation to Assist Kombucha Makers

Los Angeles, CA – Hannah Crum, President of Kombucha Brewers International (KBI), released the following statement today after U.S. Senators Ron Wyden (D-Oregon) and Cory Gardner (R-Colorado) and Representatives Jared Polis (D-Colorado) and Scott Tipton (R-Colorado) introduced bipartisan legislation in the U.S. Senate and U.S. House, respectively, that would help kombucha brewers continue to grow, thrive and hire more workers by ensuring that kombucha products are not unfairly subject to the federal excise tax on beer under the Internal Revenue Code:

“On behalf of the more than 250 kombucha brewers of which 150 that are members of KBI across the United States, I am extremely pleased that we have such strong advocates for our industry in the United States Congress,” said Crum. “Senators Wyden and Gardner and Representatives Polis and Tipton – and their staff members – are terrific champions for kombucha makers, and we are deeply appreciative of their efforts and work on this important legislation. They recognize that the law, relative to kombucha brewers, is outdated and needs to be changed, and they seized this opportunity to do so. We applaud them for focusing on this effort to help these small businesses.”

Among other things, the legislation – the “Keeping Our Manufacturing from Being Unfairly Taxed while Championing Health Act,” or KOMBUCHA Act – would do the following:

- Create an exception in the Internal Revenue Code’s definition of “brewer” for kombucha makers.
- Provide an exemption to the federal excise tax imposed on beer for kombucha.
- Define “kombucha” as a beverage that is “(A) is fermented solely by a symbiotic culture of bacteria and yeast, (B) contains not more than 1.25 percent of alcohol by volume, (C) is sold or offered for sale as kombucha, and (D) is derived from – (i) sugar, malt or malt substitute, tea, or coffee, and (ii) not more than 20 percent of other wholesome ingredients.”

Kombucha – a combination of tea, sugar, water, and a symbiotic culture of bacteria and yeast (SCOBY) – has trace amounts of alcohol that can trigger federal excise taxes under current law. The KOMBUCHA Act would increase the applicable alcohol-by-volume for kombucha from 0.5 percent to 1.25 percent. Kombucha would still have to meet the health and safety requirements generally applicable to nonalcoholic beverages.

“This is good common-sense, pro-business, pro-consumer legislation,” said Crum. “We are looking forward to working with Senators Wyden and Gardner and Representatives Polis and Tipton to try to get this important bill enacted into law.”

Kombucha Brewers International (KBI) is the international, non-profit trade association for the kombucha brewing industry. To learn more about the kombucha industry, or for more information on membership, please contact KBI President Hannah Crum at info@kombuchabrewers.org or visit kombuchabrewers.org.