

ALCOPOPS:
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NEWS RELEASE

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FOR IMMEDIATE RELEASE

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State's appeal of alcopops ruling to cost taxpayers millions, harm kids

With the only alcopops lawsuit in the country, the battle wages on, the world watches

LINCOLN, NEB. – On behalf of the alcohol industry, Attorney General Jon Bruning is using tax dollars to appeal District Court Judge John Colborn's decision on alcopops. The move stalls payment of the approximate \$2M/year in lost tax revenue that resulted from the illegal classification of the products. Further, the appeal process may provide a delay tactic, allowing the alcohol industry to seek a favorable legislative proposal in 2012.

The appeal, filed Tuesday with the Nebraska Supreme Court, leaves some wondering where the attorney general's allegiance lies – with taxpayers and kids or the alcohol industry.

"Why is the attorney general hurting taxpayers and our children with this appeal?" said Mary Doghman, taxpayer, mother of two daughters and plaintiff.

The February 14th district court decision ordered the appropriate collection of taxes on alcopops at the higher, distilled spirit tax rate of \$3.75/gal. rather than the beer tax rate of \$0.31/gal. It's projected that the state has lost an estimated \$20M in tax revenue over the last 10 years as a result of the illegal taxation.

"It's simple economics - price matters when it comes to preventing underage drinking," said Diane Riibe, executive director of Project Extra Mile. "If the price is low, youth access increases. The AG's doing the bidding of the industry on the backs of Nebraska taxpayers and kids. Our state continues to assist an industry in its quest to target young people. Every Nebraska parent and taxpayer should be angry."