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FAUST DISTRIBUTING COMPANY

August 25, 2003

Alcohol and Tobacco Tax and Trade Bureau  
Chief Regulations and Procedures Division  
P.O. Box 50221  
Washington, D.C. 20091 0221

Attn: TTB Notice No. 4  
Dear Sir or Madam:

Faust Distributing Company supports the proposed rule issued in March 2003 by the Tax and Trade Bureau (TTB) that for flavored malt beverages (FMB) to be classified as beer. Its alcohol content from distilled alcohol cannot exceed 0.5%.

Beer has been regulated and taxed differently than other alcohol beverages throughout our nation's history. 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, as well as, its definition in the Internal Revenue Code when Congress first imposed the beer excise tax in the 1800s.

Beer is not distilled spirits and is not fortified wine. Also, it is not a product that has been made through the distillation process. Beer is made through the brewing process. Therefore to adopt the TTB '0.5 by volume standard' would ensure the integrity of beer and the brewing process.

Once again, Faust Distributing Company encourages the TTB to give final approval to the proposed 0.5% standard on FMBs.

Sincerely,

Rick Forcier  
Vice President/Sales Manager

RF/lm

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