



MEDIA CONTACT

Michael Bilello
Senior Vice President, Communications & Marketing
michael@swa.org | (202) 243-7506

FOR IMMEDIATE RELEASE

12/21/2020

WSWA APPLAUDS INCLUSION OF FULL MEALS DEDUCTION REINSTATEMENT IN LATEST COVID RELIEF PACKAGE

“This is about aligning incentives to get business back in the hospitality industry, creating nearly 70,000 jobs and offering a lifeline to the suffering restaurant industry.”

– WSWA President and CEO Michelle Korsmo

WASHINGTON, D.C., 12/21/2020 – Today, Wine & Spirits Wholesalers of America (WSWA) announced its strong support the inclusion of a full reinstatement of the deduction on business meals through January 1, 2023 in the latest proposed COVID relief package.

“This is about aligning incentives to get business back in the hospitality industry, creating nearly 70,000 jobs and offering a lifeline to the suffering hospitality industry,” said WSWA President and CEO Michelle Korsmo. “The U.S. hospitality supply-chain is intensely interconnected –restaurants across the country and their family-owned distributors and suppliers are facing long-term effects from the pandemic that could have a debilitating impact on local economies for years to come. This provision is a step forward and in the right direction.”

According to a [recent study](#) by John Dunham and Associates, the impact of a full reinstatement of the deduction for a single year could add nearly 29,000 jobs in the suffering restaurant industry, 3,500 jobs in wholesaling and distribution and 2,300 jobs in production. Suppliers to these industries would be able to add over 13,100 jobs and increased spending would result in the addition of another 19,200 jobs. The overall impact nationwide would be over 67,000 new jobs, \$3.0 billion in wages, and \$9.8 billion in economic output.

In addition, much of the tax revenue lost by extending deduction would be recouped in the form of excise taxes on increased alcohol and food sales and business and income taxes on newly created jobs, to the tune of nearly \$880 million in federal excise and business taxes, and \$1.04 billion in state and local taxes. This equates to creating roughly \$5.13 in economic activity per net tax dollar, and **more than \$50 less per job than the federal government is currently spending via unemployment benefits.**

“Twenty-five percent of all Americans currently receiving unemployment benefits are hospitality industry workers and restaurant employment remains nearly 2.5 million jobs below pre-COVID levels. Any incentive to get patrons back into these businesses helps everyone from the owner to the dishwasher to the delivery man and should be celebrated and not demonized,” said Korsmo.

About Wine & Spirits Wholesalers of America

WSWA is the national trade association representing the distribution tier of the wine and spirits industry, dedicated to advancing the interests and independence of distributors and brokers of wine and spirits. Founded in 1943, WSWA has more than 380 member companies in 50 states and the District of Columbia, and its members distribute more than 80 percent of all wine and spirits sold at wholesale in the United States.

To learn more, please visit www.wswa.org or connect with us on [Facebook](#) or [Twitter](#).

###