COST CONSCIOUS



Bottoms Up or Belly Up? Tariffs on Alcohol Will Raise Prices on **Everything from Spirits to Beer Cans**

U.S. trade with Canada, Mexico and the European Union (EU) is vital, especially for the beer, wine and spirits industries. Newly imposed tariffs — 25% on steel, aluminum and goods from Mexico and Canada, plus a proposed 200% tariff on EU wine — could raise prices on production costs, packaging and imported alcohol. With Mexico supplying 80% of imported beer and the United States dependent on foreign steel and aluminum, small-town liquor stores and consumers will pay the price as costs rise and families are forced to cut back.

Here's what experts say will be impacted by the upcoming tariffs:

Imports:



In 2024, the United States imported \$5.2 billion worth of tequila and \$93 million worth of mezcal from Mexico, along with \$622 million in Canadian spirits and nearly \$5.7 billion worth of wine from the European Union.12

Local Breweries and Beer:



Local craft breweries are increasing in price by a dollar or two for four cans to offset aluminum costs.3

A 25% tariff could increase the price of imported beer such as Modelo Especial and Corona by 4% to 12%.4

Aluminum and steel tariffs of 25% may increase prices by \$2 a case while the price of a single pallet of aluminum cans could increase by nearly \$300, passing off the increased expense to the consumer.56

Wine:



A 200% tariff on European wines could raise the price of a \$15 bottle of Italian Prosecco to \$45 and would almost double the cost of a \$50 bottle of Champagne to \$90.78

Job Losses:



A 25% tariff on distilled spirits imports from Mexico and Canada could lead to a loss of more than 31,000 U.S. jobs.9

¹ https://www.euronews.com/business/2025/03/13/european-alcohol-industry-faces-13bn-blow-from-trumps-200-tariffs)

https://www.nbcnews.com/politics/economics/trump-puts-tariffs-thousands-goods-canada-mexico-risking-higher-prices-rcna194542 7 https://www.wsj.com/business/trump-tariffs-alcohol-trade-war-d288613a?st=nwqtCv

https://www.kxan.com/news/texas-politics/new-aluminum-tariffs-could-raise-the-price-of-a-six-pack-of-beer/

⁴ https://www.forbes.com/sites/sap/2025/03/10/aluminum-and-steel-tariffs-what-do-you-mean-my-beer-will-cost-more,

https://www.wsj.com/business/trump-tariffs-alcohol-trade-war-d288613a?st=nwqtCv

⁶ https://apnews.com/article/trump-tariffs-eu-whiskey-cb259623a25ca1bfdb4673262ceef85b

⁸ https://www.wsj.com/business/trump-tariffs-alcohol-trade-war-d288613a?st=nwqtCv

⁹ https://www.nbcnews.com/politics/economics/trump-puts-tariffs-thousands-goods-canada-mexico-risking-higher-prices-rcna194542