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U.S. proposes raising tariffs on many European spirits to 15%

The proposal, part of a Section 301 review, appears to spare Irish whiskey before hearings begin in January 2027

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The United States has proposed raising the tariff on many distilled spirits imported from the European Union to 15% from 10%, according to a trade notice published by the Office of the United States Trade Representative and an industry reading of its scope. If adopted as described by the sector, the move would add 5 percentage points to the current duty and lift the tariff rate by 50%, although it would not mean a 50% increase

in the retail price of the drinks.

The proposal was published on Wednesday, November 25, as part of a Section 301 structural excess capacity investigation. The USTR, which directs U.S. trade actions and is running the public consultation, has not yet made the higher tariff final. The measure remains a proposal, and its final reach could change depending on exemptions, comments from affected parties and the outcome of the review.

At issue is the tariff rate applied to the customs value of imported spirits from the EU, not total tax collections or final shelf prices. A higher duty would raise the cost of bringing those products into the U.S. market, a change that can affect pricing, profit margins and sourcing decisions for importers, wholesalers, restaurants and bars.

The Distilled Spirits Council of the United States, a Washington-based trade group for spirits producers and marketers, urged the administration to remove imported distilled spirits from the proposed tariffs. In a statement released on Wednesday, November 25, the group said many imported spirits would face rates above the current 10% level under the administration’s plan. DISCUS also said the proposal appears to preserve an exception for Irish whiskey, reflecting the president’s announcement on September 13 that the tariff on that product would be lifted.

Chris Swonger, the council’s president and chief executive, said the industry was disappointed that the administration did not exempt all imported distilled spirits, especially those from the EU. He said the timing was especially difficult for the hospitality business, with bars and restaurants relying on the holiday season to offset a hard year. According to the group, many of those businesses are already dealing with higher costs and closures, and an additional duty on imported spirits would add pressure to a sector tied to local jobs and spending.

The industry group also pointed to weakness in the broader U.S. spirits market. DISCUS said active distilleries were down nearly 7% in August from a year earlier, which it described as the first time closures outpaced openings. The group argued that new tariffs could deepen strain on producers and raise the risk of retaliation against U.S. spirits exports, a recurring concern in alcohol trade disputes.

The USTR notice is part of a broader trade proceeding rather than a measure aimed only at beverage alcohol. Still, for companies that import European spirits, the proposed change would matter because it affects the basic duty rate at the border. Even a relatively small change in the tariff rate can alter costs across large shipment volumes, especially for products sold through distribution chains with tight margins.

The distinction between the tariff rate and consumer prices is important. A move from 10% to 15% is a 5-percentage-point increase in the duty and a 50% increase in the tariff rate itself. That does not translate directly into a 50% increase in the price paid by consumers, because shelf prices also reflect transportation, wholesale and retail markups, state alcohol rules and other taxes.

The administration’s treatment of Irish whiskey remains one of the most closely watched exceptions in the proposal. DISCUS said it welcomed the fact that the notice reflects the earlier White House decision to remove that tariff, while pressing for broader relief for all imported distilled spirits. The final scope will depend on how the USTR writes any final action after the consultation period.

The public process now moves to written comments and hearings. The USTR set January 5, 2027, as the deadline for comments on the proposal, and January 25, 2027, as the start date for hearings.