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U.S. Distillers Warn Trump’s 15% Tariff on European Spirits Would Raise Prices

DISCUS said the proposal could disrupt trade flows and invite European retaliation against American whiskey and other U.S. exports

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U.S. distillers are warning that President Donald Trump’s proposed tariff changes on European spirits could raise prices, disrupt trade flows and provoke retaliation that would hurt American alcohol exports.

The Distilled Spirits Council of the United States, known as DISCUS, said it has serious concerns about the plan and is urging the administration to take what it called a balanced approach to trade relations. The group said higher duties on imported spirits would not only affect European suppliers but also create pressure across the wider beverage market in the United States.

According to Just Drinks, the proposal under consultation would raise U.S. tariffs on European spirits to 15% from 10%. The report said exemptions are expected for Champagne and Irish whiskey. DISCUS said any broader increase in tariffs could lead to higher prices for consumers and invite countermeasures from European governments.

The organization said retaliatory action is a major risk for U.S. producers, especially those that rely on exports. American whiskey and other spirits makers have built significant business in Europe, and trade groups have repeatedly argued that tariff disputes can quickly spread beyond the original products targeted. If Europe responds with new duties on U.S. alcoholic beverages, distillers could face weaker overseas demand at the same time import costs rise at home.

DISCUS said the industry needs predictable trade policy rather than sudden changes in duty levels. The group warned that arbitrary tariff increases can damage long-term planning for producers, importers, distributors and retailers. Tariffs can affect pricing decisions throughout the supply chain, from shipments entering U.S. ports to the final bottle sold in stores, bars and restaurants.

The proposal also matters beyond spirits makers that import directly from Europe. Importers, wholesalers and retailers may need to adjust inventories and pricing if the tariff increase moves forward. That could squeeze margins for companies that cannot pass all added costs on to customers. It could also shift competition between product categories if some imports receive exemptions while others do not.

A carveout for Champagne and Irish whiskey, if confirmed, would leave other European spirits exposed to the higher rate. That could create uneven effects within the import market, benefiting some categories while putting more pressure on others. U.S. businesses that sell a mix of imported products could then face different cost structures depending on origin and product type.

DISCUS did not call for a complete break in trade enforcement, but it said policy should protect the interests of American distillers without triggering avoidable harm across the beverage industry. The group’s position reflects a broader concern in the sector that tariff disputes rarely stay limited to one side of the market. When import duties rise, domestic producers may see short-term protection in some segments, but exporters can become vulnerable if trading partners respond in kind.

That risk is especially important for the drinks industry because many companies operate across both import and export channels. A producer may benefit from domestic sales while also depending on foreign markets for growth. In that setting, a tariff increase on European spirits could ripple into U.S. wine, beer and spirits trade more broadly if it leads to a wider transatlantic dispute.

For consumers, the immediate effect could be seen in shelf prices. Imported spirits affected by the higher tariff would likely become more expensive if companies pass on the added cost. Some businesses may absorb part of the increase, but industry groups have long argued that sustained tariff pressure is difficult to contain without affecting final prices.

The administration’s proposal remains in consultation, and DISCUS is pressing for a trade approach that avoids escalation. The group said the goal should be to support American distillers while limiting the risk of retaliatory measures that could damage U.S. alcoholic beverage exports.