

# SUPPORTING THE AMERICAN CONSUMER



As the national discussion shifts toward re-opening of the economy, it is critical to support consumers who participate in face-to-face retail transactions. Whether motivated by personal or business demands, consumers are the primary participants in restarting the economy. For the economy to recover under these conditions, the market will require improved liquidity, bolstered confidence, and incentivized safe interactions at the point of sale.

The Premium Cigar Association (PCA) —representing 3,000+ specialty retailers, 30,000+ employees, 250+ premium cigar manufacturers, and millions of consumers across the country, aims to drive premium cigar sales and create regulatory certainty conducive to growth. We encourage Congress and the Administration to consider the following policies in support of the American Consumer in its next COVID-19 recovery package:

## **Continued Postponement of Deadlines for Certain Tax Filings and Collection**

The postponement of filings and collection of Federal Income Tax and Excise Tax should continue to be extended until the COVID-19 Emergency Declaration expires. Individuals returning to full employment need time to recover financially and small businesses have limited access to the credit and capital needed to bridge the economic shortfalls caused by social distancing requirements made necessary to combat COVID-19.

## **Restoration of the Business Entertainment Tax Deduction**

Entertainment expenses are a regular function of business and should be treated as a tax-deductible expense, as they were prior to 2018. Similarly, business meals should be brought in line with other regularly incurred business expenses by allowing 100% of the expense to be tax deductible. This tax deduction will help support both brick and mortar retailers as well as premium cigar lounges with a food and beverage offering.

## **Temporary Travel Tax Credit**

A tax credit covering qualified travel expenses within the U.S., with explicit reference to the expense of meals, entertainment, travel, lodging, and event fees would stimulate business and personal travel. The PCA supports the American Tax Rebate and Incentive Program Act (TRIP Act) that would provide non-refundable tax credits to individuals to support the entertainment, travel, and tourism sectors. The \$4,000 individual adult tax credit in this legislation could be used at PCA member establishments. Additional benefits should be provided for consumers participating in trade shows, conferences and exhibitions, recognizing the significant multiplier effect these events have on local economies and small businesses.

Learn more about the [PCA's Blueprint for Economic Recovery](#) benefiting manufacturers, retailers, and consumers.

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