

**AMENDMENT**

**OFFERED BY MR. POLIS OF COLORADO**

Add at the end the following:

1     **TITLE VI—TAX TREATMENT OF**  
2                             **KOMBUCHA**

3     **SEC. 601. SHORT TITLE.**

4             This title may be cited as the “Keeping Our Manu-  
5     facturers from Being Unfairly taxed while Championing  
6     Health Act” or “KOMBUCHA”.

7     **SEC. 602. TAX-FREE PRODUCTION OF KOMBUCHA.**

8             (a) EXCEPTION FROM DEFINITION OF BREWER.—

9     Subsection (d) of section 5052 is amended to read as fol-  
10    lows:

11            “(d) BREWER.—

12                    “(1) IN GENERAL.—For purposes of this chap-  
13            ter, the term ‘brewer’ means any person who brews  
14            beer or produces beer for sale.

15                    “(2) EXCEPTION.—The term ‘brewer’ shall not  
16            include any person who—

17                            “(A) produces only beer exempt from tax  
18                            under subsection (e) of section 5053, or

19                            “(B) produces only kombucha exempt from  
20                            tax under subsection (i) of such section.”.

1 (b) EXEMPTION FROM TAX.—Section 5053 is  
2 amended—

3 (1) by redesignating subsection (i) as subsection  
4 (j), and

5 (2) by inserting after subsection (h) the fol-  
6 lowing new subsection:

7 “(i) PRODUCTION OF KOMBUCHA.—

8 “(1) IN GENERAL.—Subject to regulation pre-  
9 scribed by the Secretary, any person may, without  
10 payment of tax, produce kombucha for consumption  
11 or sale.

12 “(2) DEFINITION.—For purposes of this chap-  
13 ter, the term ‘kombucha’ means a beverage which—

14 “(A) is fermented solely by a symbiotic cul-  
15 ture of bacteria and yeast,

16 “(B) contains not more than 1.25 percent  
17 of alcohol by volume,

18 “(C) is sold or offered for sale as  
19 kombucha, and

20 “(D) is derived from—

21 “(i) sugar, malt or malt substitute,  
22 tea, or coffee, and

23 “(ii) not more than 20 percent other  
24 wholesome ingredients.”.

