

2016 First Extraordinary Session

HOUSE BILL NO. 27

BY REPRESENTATIVE COX

TAX/ALCOHOLIC BEVERAGE: Increases the excise tax levied on certain alcoholic beverages (Item #20)

1 AN ACT

2 To amend and reenact R.S. 26:341(A) and 342, relative to the excise tax on alcoholic
3 beverages; to increase the rate of the excise tax levied on alcoholic beverages; to
4 provide with respect to the application of the excise tax on alcoholic beverages in the
5 inventory of certain retail and wholesale dealers; to provide for an effective date; and
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 26:341(A) and 342 are hereby amended and reenacted to read as
9 follows:

10 §341. Tax on beverages of high and low alcoholic content; importers of wine

11 A. The following excise or license taxes are levied on all beverages of high
12 alcoholic content handled in Louisiana:

13 (1) Liquors; at the rate of ~~sixty-six~~ ninety-one cents per liter.

14 (2) Sparkling wines; ~~forty-two~~ sixty-one cents per liter.

15 (3) Still wines:

16 (a) Of an alcoholic content of not more than fourteen percent by volume--at
17 the rate of ~~three~~ twenty-five cents per liter.

18 (b) Of an alcoholic content of more than fourteen percent by volume but no
19 more than twenty-four percent by volume--at the rate of ~~six~~ fifty-three cents per liter.

1 (c) Of an alcoholic content of more than twenty-four percent by volume--at
2 the rate of ~~forty-two~~ sixty-one cents per liter.

3 (4) Malt beverages; at the rate of ~~ten dollars~~ thirteen dollars and thirty-three
4 cents per barrel containing not more than thirty-one standard gallons and at a like
5 rate for fractional parts of a barrel.

6 * * *

7 §342. Tax on beverages of low alcoholic content

8 There is levied and imposed on all beverages of low alcoholic content
9 handled in Louisiana an excise tax of ~~ten dollars~~ thirteen dollars and thirty-three
10 cents per barrel containing not more than thirty-one gallons, and at a like rate for
11 fractional parts of a barrel.

12 Section 2. The increase in the tax on beverages of high and low alcoholic content
13 imposed by this Act shall apply to all beverages of high and low alcoholic content purchased
14 by retail and wholesale dealers on and after April 1, 2016, and shall apply to beverages of
15 high and low alcoholic content in the possession of wholesale and retail dealers prior to
16 April 1, 2016. The tax increase on beverages of high alcoholic content shall apply to all
17 products shipped directly to consumers on or after April 1, 2016, in accordance with the
18 provisions of R.S. 26:359. All wholesale and retail dealers shall file an inventory with the
19 secretary of the Department of Revenue on all beverages of high and low alcoholic content
20 on hand prior to April 1, 2016. The inventory shall be filed with the secretary and additional
21 taxes paid by May 1, 2016. The secretary shall have authority to adopt rules and regulations
22 as to the filing of the inventory report and the payment of taxes due.

23 Section 3. This Act shall become effective upon signature by the governor or, if not
24 signed by the governor, upon expiration of the time for bills to become law without signature
25 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
26 vetoed by the governor and subsequently approved by the legislature, this Act shall become
27 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 27 Engrossed

2016 First Extraordinary Session

Cox

Abstract: Increases the excise tax on beverages of low and high alcoholic content.

Present law provides for the levy of an excise tax on all beverages of low and high alcoholic content. The rates of the tax are as follows:

- (1) Liquors - \$0.66 per liter.
- (2) Sparkling wines - \$0.42 per liter.
- (3) Still wines -
 - \$0.03 per liter if the beverage has an alcoholic content of not more than 14% by volume;
 - \$0.06 per liter if the beverage has an alcoholic content of more than 14% by volume but no more than 24% by volume;
 - \$0.42 per liter of the beverage has an alcoholic content of more than 24% by volume.
- (4) Malt beverages and other beverages of low alcoholic content-\$10 per barrel containing not more than 31 standard gallons.

Proposed law changes present law by increasing the excise tax on these beverages as follows:

- (1) Liquors - From \$0.66 per liter to \$0.91 per liter.
- (2) Sparkling wines - From \$0.42 per liter to \$0.61 per liter.
- (3) Still wines -
 - From \$0.03 per liter if the beverage has an alcoholic content of not more than 14% by volume to \$0.25 per liter;
 - From \$0.06 per liter to \$0.53 per liter if the beverage has an alcoholic content of more than 14% by volume but no more than 24% by volume;
 - From \$0.42 per liter to \$0.61 per liter if the beverage has an alcoholic content of more than 24% by volume.
- (4) Malt beverages and other beverages of low alcoholic content- from \$10 per barrel to \$13.33 per barrel containing not more than 31 standard gallons.

Proposed law requires the excise tax increase to apply to all beverages of high and low alcoholic content purchased by or in the possession of retail and wholesale dealers on and after April 1, 2016. Proposed law requires all wholesale and retail dealers to file an inventory on all beverages on hand prior to April 1, 2016. Requires the inventory to be filed with the secretary and additional taxes paid by May 1, 2016.

Proposed law requires the tax increase to also apply to beverages of high alcoholic content shipped directly to consumers on or after April 1, 2016.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 26:341(A) and 342)