

GREEN SHEET REDIGEST

HB 27

2016 First Extraordinary Session

Cox

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments.)

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

DIGEST

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 if 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 \$0.80 per liter.
- (2) Sparkling wines - From \$0.42 per liter to \$0.55 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 \$0.20 per liter;

 From \$0.06 per liter to \$0.35 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 \$0.55 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 \$12.50 per barrel containing not more than 31 standard gallons.

Proposed law requires the increase in the excise tax on alcoholic beverages in proposed law to apply to all alcoholic beverages on April 1, 2016. Further requires the increase in the excise tax imposed on sparkling wine or still wine to apply to all products shipped directly to consumers on or after April 1, 2016.

Effective April 1, 2016.

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

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Reduce the amount of the excise tax increases in proposed law as follows:
 - (1) Liquors - From \$0.91 per liter to \$0.80 per liter.
 - (2) Sparkling wines - From \$0.61 per liter to \$0.55 per liter.
 - (3) Still wines -
From \$0.25 per liter if the beverage has an alcoholic content of not more than 14% by volume to \$0.20 per liter;

From \$0.53 per liter to \$0.20 per liter if the beverage has an alcoholic content of more than 14% by volume but no more than 24% by volume;

From \$0.61 per liter to \$0.55 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 \$13.33 per barrel to \$12.50 per barrel.
2. Delete the application of the tax increase on the floor stock of alcohol in the possession of retail and wholesale dealers.
3. Change effective date from signature of the governor to April 1, 2016.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the reengrossed bill

1. Changes the excise or license tax levied on still wine with an alcoholic content of more than 14% by volume but no more than 24% by volume from \$0.20 to \$0.35.