

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 for an effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

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

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

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

11 (1) Liquors; at the rate of ~~sixty-six~~ eighty cents per liter.

12 (2) Sparkling wines; ~~forty-two~~ fifty-five cents per liter.

13 (3) Still wines:

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

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

18 (c) Of an alcoholic content of more than twenty-four percent by volume--at  
19 the rate of ~~forty-two~~ fifty-five cents per liter.

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

4 \* \* \*

5 §342. Tax on beverages of low alcoholic content

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

10 Section 2. The increase in the excise tax on alcoholic beverages imposed by this Act  
11 shall apply to all alcoholic beverages on or after April 1, 2016, in accordance with the  
12 provisions of R.S. 26:344. The tax increase on sparkling wine or still wine shall apply to all  
13 products shipped directly to consumers on or after April 1, 2016, in accordance with the  
14 provisions of R.S. 26:359.

15 Section 3. The provisions of this Act shall become effective on April 1, 2016.

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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)]

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HB 27 Reengrossed                      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 \$0.80 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 \$0.20 per liter if the beverage has an alcoholic content of more than 14% by volume but no more than 24% by volume;  
From \$0.42 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.