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H.246

Introduced by Representative Lanpher of Vergennes

Referred to Committee on

Date:

Subject: Alcoholic beverages; flavored malt beverages; sale; taxation

Statement of purpose: This bill proposes to regulate the sale and change the
taxation for flavored malt beverages.

An act relating to regulation of flavored malt beverages

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 7 V.S.A. § 2(33) is added to read:

(33) “Flavored malt beverage”: a beverage that complies with all the
following:

(A) The beverage contains at least 0.5 percent alcohol.

(B) The beverage is processed by filtration or other method of
manufacture that is not generally recognized as a traditional process in the
production of a beer as defined in 27 C.F.R. Sec. 25.55.

(C) A flavoring or other ingredient additive that contains alcohol
except for a hop extract has been added to the beverage.

1 (D) The producer is required to file a formula for approval with the
2 U.S. Alcohol and Tobacco Trade and Tax Bureau pursuant to 27 C.F.R. Sec.
3 25.55 or the beverage is not exempt under 27 C.F.R. Sec. 25.55(f).

4 Sec. 2. 7 V.S.A. § 421 is amended to read:

5 § 421. TAX ON MALT AND VINOUS BEVERAGES

6 (a)(1) Every bottler and wholesaler shall pay to the commissioner of taxes
7 the following amounts for beverages sold to retailers:

8 (A) For malt beverages containing not more than six percent of
9 alcohol by volume at 60 degrees Fahrenheit, the sum of 26 and one-half cents
10 per gallon for every gallon ~~or its equivalent of malt beverage containing not~~
11 ~~more than six percent of alcohol by volume at 60 degrees Fahrenheit sold by~~
12 ~~them to retailers in the state and.~~

13 (B) For malt beverages containing more than six percent of alcohol
14 by volume at 60 degrees Fahrenheit and for vinous beverages, the sum of 55
15 cents per gallon ~~for each gallon of malt beverage containing more than six~~
16 ~~percent of alcohol by volume at 60 degrees Fahrenheit and each gallon of~~
17 ~~vinous beverages sold by them to retailers in the state and shall also pay to the~~
18 ~~liquor control board all fees for bottler's and wholesaler's licenses.~~

19 (C) For flavored malt beverages, the sum of \$1.54 per gallon.

