

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred House Bill No. 730
3 entitled “An act relating to alcoholic beverages and the Department of Liquor
4 and Lottery” respectfully reports that it has considered the same and
5 recommends that the Senate propose to the House that the report of the
6 Committee on Economic Development, Housing and General Affairs be
7 amended as follows:

8 First: By striking out Sec. 28, 7 V.S.A. § 421, in its entirety and inserting in
9 lieu thereof new Secs. 28 and 28a and their reader assistance headings to read
10 as follows:

11 * * * Tax on ready-to-drink spirits beverages; effective July 1, 2022 * * *

12 Sec. 28. 7 V.S.A. § 421 is amended to read:

13 § 421. TAX ON MALT AND VINOUS BEVERAGES

14 (a) Every packager and wholesale dealer shall pay to the Commissioner of
15 Taxes:

16 (1) the sum of 26 and one-half cents per gallon for every gallon or its
17 equivalent of malt beverages containing not more than six percent of alcohol
18 by volume at 60 degrees Fahrenheit sold by them to retailers in the State; ~~and~~

19 (2) the sum of 55 cents per gallon for each gallon of:

20 (A) malt beverages containing more than six percent of alcohol by
21 volume at 60 degrees Fahrenheit; ~~and each gallon of~~

1 (B) vinous beverages sold by them to retailers in the State; and

2 (3) the sum of \$1.10 per gallon of ready-to-drink spirits beverages sold
3 by them to retailers in the State.

4 (b) A manufacturer or rectifier of malt beverages, or
5 ready-to-drink spirits beverages shall pay the taxes required by this subsection
6 to the Commissioner of Taxes for all malt and vinous beverages manufactured
7 or rectified by them and sold at retail.

8 ~~(b)~~(c) A packager or wholesale dealer may sell malt or beverages, vinous
9 beverages, or ready-to-drink spirits beverages to any duly authorized agency of
10 the U.S. Armed Forces on any U.S. Armed Forces' installation presently
11 existing in the State or ~~which~~ that may in the future be established as though to
12 a retail dealer but without the payment of the gallonage tax, subject to the
13 filing of the returns as provided in subsection (c) of this section.

14 ~~(e)(1)~~(d)(1) For the purpose of ascertaining the amount of tax, on the filing
15 dates set out in subdivision (2) of this subsection according to tax liability,
16 each packager, wholesale dealer, manufacturer, or rectifier shall transmit to the
17 Commissioner of Taxes, upon a form prepared and furnished by the
18 Commissioner, a statement or return under oath or affirmation showing the
19 quantity of malt ~~and~~ beverages, vinous beverages, and ready-to-drink spirits
20 beverages sold by the packager, wholesale dealer, manufacturer, or rectifier
21 during the preceding filing period, and report any other information requested

1 by the Commissioner accompanied by payment of the tax required by this
2 section. The amount of tax computed under subsection (a) of this section shall
3 be rounded to the nearest whole cent. At the same time this form is due, each
4 packager, wholesale dealer, manufacturer, or rectifier also shall transmit to the
5 Commissioner in electronic format a separate report showing the description,
6 quantity, and price of malt ~~and beverages,~~ vinous beverages, and ready-to-
7 drink spirits beverages sold by the packager, wholesale dealer, manufacturer,
8 or rectifier to each retail dealer as defined in section 2 of this title; provided,
9 however, for direct sales to retail dealers by manufacturers or rectifiers of
10 vinous beverages or ready-to-drink spirits beverages, the report required by
11 this subsection may be submitted in a nonelectronic format.

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13 * * * Tax on ciders; effective July 1, 2023 * * *

14 Sec. 28a. 7 V.S.A. § 421 is amended to read:

15 § 421. TAX ON MALT AND VINOUS BEVERAGES

16 (a) Every packager and wholesale dealer shall pay to the Commissioner of
17 Taxes:

18 (1) the sum of 26 and one-half cents per gallon for every gallon or its
19 equivalent of:

20 (A) malt beverages containing not more than six percent of alcohol
21 by volume at 60 degrees Fahrenheit sold by them to retailers in the State; and

1 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE