

SENATE BILL No. 288

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-4.

Synopsis: Farm to glass beer excise tax. Lowers the beer excise tax rates to: (1) \$0.035 for the first 500,000 gallons of beer or flavored malt beverage sold in Indiana; and (2) \$0.075 for the next 14.5 million gallons of beer or malt beverage sold in Indiana; if certain percentages of the hops and barley in the beer or malt beverage are grown in Indiana. Adjusts the distributions of the beer excise tax.

Effective: July 1, 2017.

Ford

January 9, 2017, read first time and referred to Committee on Public Policy.



First Regular Session 120th General Assembly (2017)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

SENATE BILL No. 288

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 7.1-4-2-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. **(a) Except as**
3 **provided in subsections (b) and (c)**, an excise tax, referred to as the
4 beer excise tax, at the rate of eleven and one-half cents (\$.115) a gallon
5 is imposed upon the sale of beer or flavored malt beverage within
6 Indiana.

7 **(b) After December 31, 2017, and before January 1, 2021, the**
8 **beer excise tax shall be imposed at the following rates upon the sale**
9 **of beer or flavored malt beverage if at least twenty percent (20%)**
10 **of the hops or barley contained in the beer or flavored malt**
11 **beverage is grown in Indiana:**

12 **(1) Three and one-half cents (\$.035) per gallon on the first five**
13 **hundred thousand (500,000) gallons of beer or flavored malt**
14 **beverage sold in Indiana by the taxpayer each year.**

15 **(2) Seven and one-half cents (\$.075) per gallon on the gallons**
16 **of beer or flavored malt beverage sold in Indiana by the**
17 **taxpayer each year that exceed five hundred thousand**



1 (500,000) gallons in the year and are not more than fifteen
2 million (15,000,000) gallons in the year.

3 (3) Eleven and one-half cents (\$0.115) per gallon on the
4 gallons of beer or flavored malt beverage sold in Indiana by
5 the taxpayer that exceed fifteen million (15,000,000) gallons in
6 the year.

7 (c) After December 31, 2020, the beer excise tax shall be
8 imposed at the following rates upon the sale of beer or flavored
9 malt beverage if at least forty percent (40%) of the hops or barley
10 contained in the beer or flavored malt beverage is grown in
11 Indiana:

12 (1) Three and one-half cents (\$.035) per gallon on the first five
13 hundred thousand (500,000) gallons of beer or flavored malt
14 beverage sold in Indiana by the taxpayer each year.

15 (2) Seven and one-half cents (\$.075) per gallon on the gallons
16 of beer or flavored malt beverage sold in Indiana by the
17 taxpayer each year that exceed five hundred thousand
18 (500,000) gallons in the year and are not more than fifteen
19 million (15,000,000) gallons in the year.

20 (3) Eleven and one-half cents (\$0.115) per gallon on the
21 gallons of beer or flavored malt beverage sold in Indiana by
22 the taxpayer that exceed fifteen million (15,000,000) gallons in
23 the year.

24 SECTION 2. IC 7.1-4-7-5 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) The department
26 shall deposit:

27 (1) **except as provided in subsection (b)**, four cents (\$0.04) of
28 the beer excise tax rate collected on each gallon of beer or
29 flavored malt beverage;

30 (2) one dollar (\$1) of the liquor excise tax rate collected on each
31 gallon of liquor;

32 (3) twenty cents (\$0.20) of the wine excise tax rate collected on
33 each gallon of wine;

34 (4) the entire amount of malt excise tax collected; and

35 (5) the entire amount of hard cider excise tax collected;

36 daily with the treasurer of state and not later than the fifth day of the
37 following month shall cover them into the general fund of the state for
38 distribution as provided in this chapter.

39 (b) The department shall deposit daily with the treasurer of
40 state the following amounts of the beer excise tax under subsection
41 (a)(1):

42 (1) One-half cent (\$0.005) for the beer excise tax collected at



1 **the rates described in IC 7.1-4-2-1(b)(1) or IC 7.1-4-2-1(c)(1).**
 2 **(2) Two and one-half cents (\$0.025) for the beer excise tax**
 3 **collected at the rates described in IC 7.1-4-2-1(b)(2) or**
 4 **IC 7.1-4-2-1(c)(2).**

5 SECTION 3. IC 7.1-4-8-1, AS AMENDED BY P.L.213-2015,
 6 SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2017]: Sec. 1. (a) The department shall:

8 (1) deposit daily with the treasurer of state:

9 (A) **except as provided in subsection (b)**, three and
 10 three-fourths cents (~~3 3/4¢~~) **(\$0.0375)** of the beer excise tax
 11 rate collected on each gallon of beer or flavored malt
 12 beverage;

13 (B) one dollar and seventeen cents (\$1.17) of the liquor excise
 14 tax rate collected on each gallon of liquor; and

15 (C) sixteen cents (~~16¢~~) **(\$0.16)** of the wine excise tax rate
 16 collected on each gallon of wine; and

17 (2) not later than the fifth day of the following month, transfer the
 18 deposits under subdivision (1) into the postwar construction fund.

19 **(b) The department shall deposit daily with the treasurer of**
 20 **state the following amounts of the beer excise tax under subsection**
 21 **(a)(1)(A):**

22 **(1) One-half cent (\$0.005) for the beer excise tax collected at**
 23 **the rates described in IC 7.1-4-2-1(b)(1) or IC 7.1-4-2-1(c)(1).**

24 **(2) Two and one-half cents (\$0.025) for the beer excise tax**
 25 **collected at the rates described in IC 7.1-4-2-1(b)(2) or**
 26 **IC 7.1-4-2-1(c)(2).**

27 SECTION 4. IC 7.1-4-10-1, AS AMENDED BY P.L.213-2015,
 28 SECTION 96, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2017]: Sec. 1. (a) **Except as provided in subsection (b)**, the

30 department shall deposit one and three-fourths cents (~~1 3/4¢~~) **(\$0.0175)**
 31 of the beer excise tax rate collected on each gallon of beer or flavored
 32 malt beverage, eleven cents (~~11¢~~) **(\$0.11)** of the liquor excise tax rate
 33 collected on each gallon of liquor, and four cents (~~4¢~~) **(\$0.04)** of the
 34 wine excise tax rate collected on each gallon of wine, daily with the
 35 treasurer of the state, and not later than the fifth day of the following
 36 month shall cover them into the Enforcement and Administration Fund.

37 **(b) The department shall deposit daily with the treasurer of the**
 38 **state the following amounts of the beer excise tax under subsection**
 39 **(a):**

40 **(1) One-half cent (\$0.005) for the beer excise tax collected at**
 41 **the rates described in IC 7.1-4-2-1(b)(1) or IC 7.1-4-2-1(c)(1).**

42 **(2) One-half cent (\$0.005) for the beer excise tax collected at**



1 **the rates described in IC 7.1-4-2-1(b)(2) or IC 7.1-4-2-1(c)(2).**

