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SENATE BILL 81

**51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

INTRODUCED BY

Sue Wilson Beffort

FOR THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

AN ACT

RELATING TO TAXATION; INCREASING THE VOLUME LIMIT FOR  
MICROBREWERS FOR PURPOSES OF THE LIQUOR EXCISE TAX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**SECTION 1.** Section 7-17-2 NMSA 1978 (being Laws 1966,  
Chapter 49, Section 2, as amended) is amended to read:

"7-17-2. DEFINITIONS.--As used in the Liquor Excise Tax  
Act:

A. "alcoholic beverages" means distilled or  
rectified spirits, potable alcohol, brandy, whiskey, rum, gin,  
aromatic bitters or any similar beverage, including blended or  
fermented beverages, dilutions or mixtures of one or more of  
the foregoing containing more than one-half of one percent  
alcohol by volume, but "alcoholic beverages" does not include  
medicinal bitters;

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underscoring material = new  
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1           B. "beer" means an alcoholic beverage obtained by  
2 the fermentation of any infusion or decoction of barley, malt  
3 and hops or other cereals in water and includes porter, beer,  
4 ale and stout;

5           C. "cider" means an alcoholic beverage made from  
6 the normal alcoholic fermentation of the juice of sound, ripe  
7 apples that contains not less than one-half of one percent of  
8 alcohol by volume and not more than seven percent of alcohol by  
9 volume;

10           D. "department" means the taxation and revenue  
11 department, the secretary of taxation and revenue or any  
12 employee of the department exercising authority lawfully  
13 delegated to that employee by the secretary;

14           E. "fortified wine" means wine containing more than  
15 fourteen percent alcohol by volume when bottled or packaged by  
16 the manufacturer, but "fortified wine" does not include:

17                   (1) wine that is sealed or capped by cork  
18 closure and aged two years or more;

19                   (2) wine that contains more than fourteen  
20 percent alcohol by volume solely as a result of the natural  
21 fermentation process and that has not been produced with the  
22 addition of wine spirits, brandy or alcohol; or

23                   (3) vermouth and sherry;

24           F. "microbrewer" means a person who produces fewer  
25 than [~~five~~] fifteen thousand barrels of beer in a year;

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underscored material = new  
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1 G. "person" includes, to the extent permitted by  
2 law, a federal, state or other governmental unit or subdivision  
3 or an agency, department, institution or instrumentality  
4 thereof;

5 H. "small winegrower" means a winegrower who  
6 produces fewer than nine hundred fifty thousand liters of wine  
7 in a year;

8 I. "spirituous liquor" means alcoholic beverages,  
9 except fermented beverages such as wine, beer, cider and ale;

10 J. "wholesaler" means a person holding a license  
11 issued under Section 60-6A-1 NMSA 1978 or a person selling  
12 alcoholic beverages that were not purchased from a person  
13 holding a license issued under Section 60-6A-1 NMSA 1978;

14 K. "wine" means an alcoholic beverage other than  
15 cider that is obtained by the fermentation of the natural sugar  
16 contained in fruit or other agricultural products, with or  
17 without the addition of sugar or other products, and that does  
18 not contain more than twenty-one percent alcohol by volume; and

19 L. "winegrower" means a person licensed pursuant to  
20 Section 60-6A-11 NMSA 1978."

21 SECTION 2. EFFECTIVE DATE.--The effective date of the  
22 provisions of this act is July 1, 2013.