

114TH CONGRESS
2D SESSION

H. R. 5872

To amend the Internal Revenue Code of 1986 to modify the taxation of mead and certain low alcohol by volume wine.

IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2016

Mr. NUNES (for himself and Mr. THOMPSON of California) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to modify the taxation of mead and certain low alcohol by volume wine.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Low Alcohol Wine
5 Act”.

6 **SEC. 2. MODIFICATION OF TAXATION OF MEAD AND CER-**
7 **TAIN LOW ALCOHOL BY VOLUME WINE.**

8 (a) IN GENERAL.—Section 5041 of the Internal Rev-
9 enue Code of 1986 is amended by adding at the end the
10 following:

1 “(h) MEAD AND LOW ALCOHOL BY VOLUME
2 WINE.—

3 “(1) TAX AND TAX RATE.—For purposes of
4 subsections (a) and (b)(1), mead and low alcohol by
5 volume wine shall be treated as still wines containing
6 not more than 14 percent of alcohol by volume.

7 “(2) DEFINITIONS.—For purposes of paragraph
8 (1)—

9 “(A) MEAD.—The term ‘mead’ means a
10 wine—

11 “(i) containing not more than 0.64
12 gram of carbon dioxide per hundred milli-
13 liters of wine, except that the Secretary
14 may by regulations prescribe such toler-
15 ances to this limitation as may be reason-
16 ably necessary in good commercial prac-
17 tice,

18 “(ii) which is derived solely from
19 honey and water,

20 “(iii) which contains no fruit product
21 or fruit flavoring, and

22 “(iv) which contains less than 8.5 per-
23 cent alcohol by volume.

1 “(B) LOW ALCOHOL BY VOLUME WINE DE-
2 FINED.—The term ‘low alcohol by volume wine’
3 means a wine—

4 “(i) containing not more than 0.64
5 gram of carbon dioxide per hundred milli-
6 liters of wine, except that the Secretary
7 may by regulations prescribe such toler-
8 ances to this limitation as may be reason-
9 ably necessary in good commercial prac-
10 tice,

11 “(ii) which is derived—

12 “(I) primarily from grapes, or

13 “(II) from grape juice concen-
14 trate and water,

15 “(iii) which contains no fruit product
16 or fruit flavoring other than grape, and

17 “(iv) which contains less than 8.5 per-
18 cent alcohol by volume.”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to wines removed during calendar
21 years beginning after December 31, 2016.

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