

1 S.292

2 Introduced by Senator Westman

3 Referred to Committee on

4 Date:

5 Subject: Taxation; distilled spirits; rates

6 Statement of purpose of bill as introduced: This bill proposes to adjust the
7 bracket and rate structure for the distilled spirits tax.

8 An act relating to the tax on distilled spirits

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

10 Sec. 1. 7 V.S.A. § 422 is amended to read:

11 § 422. TAX ON SPIRITS AND FORTIFIED WINES

12 (a) A tax is assessed on the gross revenue from the sale of spirits and
13 fortified wines in the State of Vermont by the Liquor Control Board or the
14 retail sale of spirits and fortified wines in Vermont by a manufacturer or
15 rectifier of spirits or fortified wines, in accordance with the provisions of this
16 title. The tax shall be at the following rates based on the gross revenue of the
17 retail sales by the seller in the current year:

18 (1) ~~if~~ If the gross revenue of the seller is ~~\$500,000.00~~ \$1,250,000.00 or
19 ~~lower~~ less, the rate of tax is five percent~~;~~.

1 (2) ~~if the gross revenue of the seller is between \$500,000.00 and~~
2 ~~\$750,000.00, the rate of tax is \$25,000.00 plus 10 percent of the gross revenues~~
3 ~~over \$500,000.00;~~

4 (3) ~~if~~ If the gross revenue of the seller is ~~\$750,000.00 or more than~~
5 \$1,250,000.00, the rate of tax is 25 percent.

6 (b) The retail sales of spirits and fortified wines made by a manufacturer or
7 rectifier at a fourth-class or farmers' market license location shall be included
8 in the gross revenue of a seller under this section, but only to the extent that the
9 sales are of the manufacturer's or rectifier's own products, and not of products
10 purchased from other manufacturers and rectifiers.

11 Sec. 2. EFFECTIVE DATE

12 This act shall take effect on July 1, 2018.