

Subject Distilled spirits excise tax

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Overview

H.F. 2558 would create a new definition for prepackaged cocktails for purposes of the distilled spirits excise tax. The tax is imposed at the rate of \$5.03 per gallon on all distilled spirits and mixtures of distilled spirits, regardless of alcohol content. This bill would impose a lower rate of \$0.95 per gallon on certain prepackaged spirits products that do not exceed 14 percent alcohol by volume.

Summary

Section	Description
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1	Low-alcohol volume prepackaged beverages.
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Creates a new definition for “low-alcohol volume prepackaged beverages” which would be defined as canned or bottled beverage made from distilled spirits and having an alcohol by volume percentage not exceeding 14 percent.

Effective date: July 1, 2023.

2	General rate; distilled spirits and wine.
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Imposes the wine excise tax rate of \$0.95 per gallon (for wines containing between 14 and 21 percent ABV) on low-alcohol volume prepackaged beverages.

Effective date: July 1, 2023.