

114TH CONGRESS
1ST SESSION

S. 807

To amend the Internal Revenue Code of 1986 to reform and reset the excise tax on beer, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 19, 2015

Mr. BLUNT (for himself, Ms. BALDWIN, Mr. KIRK, Mrs. SHAHEEN, Mr. JOHNSON, Mr. BENNET, Mr. VITTER, and Mr. PETERS) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to reform and reset the excise tax on beer, and for other purposes.

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 “Fair Brewers Excise
5 and Economic Relief Act” or the “Fair BEER Act”.

6 **SEC. 2. RATE OF TAX ON BEER.**

7 (a) IN GENERAL.—Paragraph (1) of section 5051(a)
8 of the Internal Revenue Code of 1986 is amended to read
9 as follows:

1 “(1) IN GENERAL.—A tax is hereby imposed on
2 all beer brewed or produced, and removed for con-
3 sumption or sale, within the United States, or im-
4 ported into the United States during the calendar
5 year. Such tax shall be—

6 “(A) \$0 on so much of such beer as does
7 not exceed 7,143 barrels,

8 “(B) \$3.50 per barrel on so much of such
9 beer as exceeds 7,143 barrels but does not ex-
10 ceed 60,000 barrels,

11 “(C) \$16 per barrel on so much of such
12 beer as exceeds 60,000 barrels but does not ex-
13 ceed 2,000,000 barrels, and

14 “(D) \$18 per barrel on so much of such
15 beer as exceeds 2,000,000 barrels.

16 Such tax shall be imposed with respect to every bar-
17 rel containing not more than 31 gallons and at a
18 like rate for any other quantity or for fractional
19 parts of a barrel.”.

20 (b) CONFORMING AMENDMENT.—Paragraph (2) of
21 section 5051(a) of the Internal Revenue Code of 1986 is
22 amended to read as follows:

23 “(2) CONTROLLED GROUPS.—In the case of a
24 controlled group, the barrel quantities specified in
25 paragraph (1) shall be apportioned among the brew-

1 ers who are component members of such group in
2 such manner as the Secretary shall by regulations
3 prescribed. For purposes of the preceding sentence,
4 the term ‘controlled group’ has the meaning as-
5 signed to it by subsection (a) of section 1563, except
6 that for such purposes the phrase ‘more than 50
7 percent’ shall be substituted for the phrase ‘at least
8 80 percent’ in each place it appears in such sub-
9 section. Under regulations prescribed by the Sec-
10 retary or his delegate, principles similar to the prin-
11 ciples of the preceding two sentences shall be applied
12 to a group of brewers under common control where
13 one or more of the brewers is not a corporation.”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to beer removed during calendar
16 years beginning after December 31, 2015.

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