

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
  
15  
16  
17  
18  
19  
20

H.197

Introduced by Representatives Lanpher of Vergennes, Aswad of Burlington,  
Burke of Brattleboro, Courcelle of Rutland City, Fagan of  
Rutland City, Fisher of Lincoln, Geier of S. Burlington, Koch of  
Barre Town, Lenos of Shelburne, Lorber of Burlington,  
Masland of Thetford, Minter of Waterbury, Moran of  
Wardsboro, Nease of Johnson, Nuovo of Middlebury, Potter of  
Clarendon, Spengler of Colchester, Wizowaty of Burlington and  
Zuckerman of Burlington

Referred to Committee on

Date:

Subject: Alcoholic beverages; flavored malt beverages; sale; taxation

Statement of purpose: This bill proposes to regulate the sale and change the  
taxation for flavored malt beverages.

An act relating to regulation of flavored malt beverages

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

Sec. 1. 7 V.S.A. § 2(32) is added to read:

(32) “Flavored malt beverage” a beverage that complies with all the

following:

(A) The beverage contains at least 0.5 percent alcohol.

1           (B) The beverage is processed by filtration or other method of  
2           manufacture that is not generally recognized as a traditional process in the  
3           production of a beer as defined in 27 C.F.R. Sec 25.55.

4           (C) A flavoring or other ingredient additive that contains alcohol  
5           except for a hop extract has been added to the beverage.

6           (D) The producer is required to file a formula for approval with the  
7           U.S. Alcohol and Tobacco Trade and Tax Bureau pursuant to 27 C.F.R. Sec.  
8           25.55 or the beverage is not exempt under 27 C.F.R. Sec. 25.55(f).

9           Sec. 2. 7 V.S.A. § 421 is amended to read:

10          § 421. TAX ON MALT AND VINOUS BEVERAGES AND FLAVORED

11                   MALT BEVERAGES

12          (a) Every bottler and wholesaler shall pay to the commissioner of taxes the  
13          following amounts for beverages sold to retailers:

14               (1) For malt beverages containing not more than six percent of alcohol  
15               by volume at 60 degrees Fahrenheit, the sum of 26 and one-half cents per  
16               gallon for every gallon or its equivalent of malt beverage containing not more  
17               ~~than six percent of alcohol by volume at 60 degrees Fahrenheit sold by them to~~  
18               ~~retailers in the state and .~~

19               (2) For malt beverages containing more than six percent of alcohol by  
20               volume at 60 degrees Fahrenheit and for vinous beverages, the sum of 55 cents  
21               ~~per gallon for each gallon of malt beverage containing more than six percent of~~

1 ~~alcohol by volume at 60 degrees Fahrenheit and each gallon of vinous.~~  
2 ~~beverages sold by them to retailers in the state and shall also pay to the liquor~~  
3 ~~control board all fees for bottler's and wholesaler's licenses.~~

4 (3) For flavored malt beverages, the sum of \$1.54 per gallon.

5 \* \* \*

6 Sec. 3. MARKETING AND RETAIL LOCATION; FLAVORED MALT  
7 BEVERAGES; RULES; DEPARTMENT OF LIQUOR  
8 CONTROL

9 The department of liquor control shall adopt rules to regulate flavored malt  
10 beverages in regard to promotion, sale, marketing, and placement of those  
11 beverages in second class licensed establishments.