

# ASSEMBLY, No. 1324

## STATE OF NEW JERSEY 215th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2012 SESSION

**Sponsored by:**

**Assemblyman LOUIS D. GREENWALD**

**District 6 (Burlington and Camden)**

**SYNOPSIS**

Reduces the alcoholic beverage excise tax rate on liquor, wine, vermouth, sparkling wine, and hard cider and eliminates the dedication of that tax to the Health Care Subsidy Fund.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT reducing the excise tax on certain alcoholic beverages and  
2 eliminating the dedication of that tax to the Health Care Subsidy  
3 Fund, amending R.S.54:43-1 and repealing section 2 of  
4 P.L.2009, c.71.

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6 BE IT ENACTED by the Senate and General Assembly of the State  
7 of New Jersey:

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9 1. R.S.54:43-1 is amended to read as follows:

10 54:43-1. Tax rates. There are hereby levied and imposed upon  
11 any sale of alcoholic beverages made within this State or upon any  
12 delivery of alcoholic beverages made within or into this State the  
13 following excise taxes:

14 a. Beer--From July 1, 1990 through June 30, 1992, at the rate  
15 of \$0.10 a gallon or fraction thereof and on or after July 1, 1992, at  
16 the rate of \$0.12 a gallon or fraction thereof.

17 b. Liquors--From July 1, 1990 through June 30, 1992, at the  
18 rate of \$4.20 a gallon, on or after July 1, 1992 through July 31,  
19 2009, at the rate of \$4.40 a gallon **[and]** , on or after August 1,  
20 2009 through June 30, 2010, at the rate of \$5.50 a gallon, and on or  
21 after July 1, 2010, at the rate of \$4.40 a gallon.

22 c. (Deleted by amendment, P.L.1972, c.53.)

23 d. (Deleted by amendment, P.L.1972, c.53.)

24 e. Wines, vermouth and sparkling wines--From July 1, 1990  
25 through June 30, 1992, at the rate of \$0.50 a gallon, on or after July  
26 1, 1992 through July 31, 2009, at the rate of \$0.70 a gallon **;** **and]** ,  
27 on or after August 1, 2009 through June 30, 2010, at the rate of  
28 \$0.875 a gallon, and on or after July 1, 2010, at the rate of \$0.70 a  
29 gallon **[,]** ; provided however, that cider containing at least three  
30 and two-tenths per centum (3 2/10 %) of alcohol by volume but not  
31 more than 7 per centum (7%) of alcohol by volume shall be taxed at  
32 the rate of **[\$0.15]** \$0.12 a gallon.

33 (cf: P.L.2009, c.71, s.1)

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35 2. Section 2 of P.L.2009, c.71 (C.26:2H-18.58h) is repealed.

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37 3. This act shall take effect July 1, 2010.

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STATEMENT

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42 This bill reduces the alcoholic beverage excise tax rate imposed  
43 on liquor, wine, vermouth, sparkling wine, and hard cider.  
44 Beginning on July 1, 2010, the rate of tax imposed on liquor is

**EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

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1 decreased from \$5.50 per gallon to \$4.40 per gallon; the rate of tax  
2 imposed on wine, vermouth, and sparkling wine is decreased from  
3 \$0.875 per gallon to \$0.70 per gallon; and, the rate of tax imposed  
4 on hard cider (cider with an alcohol content by volume of at least 3  
5 2/10% but not more than 7%) is decreased from \$0.15 per gallon to  
6 \$0.12 per gallon.

7 This bill also repeals the dedication of \$22 million of the annual  
8 revenue collected pursuant to the alcoholic beverage excise tax to  
9 the Health Care Subsidy Fund. The \$22 million in annual tax  
10 revenue is approximately the amount of tax revenue collected  
11 annually that is attributed to the tax rate increases made in 2009 that  
12 are reversed by this bill.