

P.L. 1997, CHAPTER 153, *approved July 1, 1997*  
Senate, No. 1946 (*First Reprint*)

1 **AN ACT** concerning the taxation of certain apple ciders under the  
2 alcoholic beverage tax law, amending R.S.54:41-2 and R.S.54:43-1.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. R.S.54:41-2 is amended to read as follows:

8 54:41-1. As used in this subtitle:

9 "Alcoholic beverages" means liquors, beer, wines and sparkling  
10 wine, as defined in this section.

11 "Beer" means beer, lager beer, ale, stout, porter, and all similar  
12 fermented malt beverages having an alcoholic content of one-half of  
13 one per centum (  $\frac{1}{2}$  of 1%) or more by volume.

14 "Bonded warehouse" means the warehouse of any licensed  
15 manufacturer or licensed wholesaler or licensed warehouseman for  
16 which the licensee has given special security to obtain certain  
17 privileges given by this subtitle.

18 "Bureau" means the Beverage Tax Bureau of the Division of  
19 Taxation in the State Department of Taxation and Finance.

20 "Cider" means a <sup>1</sup>[product] beverage<sup>1</sup> made from the alcoholic  
21 fermentation of the juice of apples, including but not limited to  
22 flavored, sparkling or carbonated cider.

23 "Commissioner," "State Tax Commissioner" or "Director"  
24 means the Director of the Division of Taxation in the State  
25 Department of Taxation and Finance.

26 "Container" means the receptacle immediately surrounding the  
27 alcoholic beverage and not the carton, box, case, sack, bag or other  
28 covering in which such containers may be packed, placed, or  
29 transported.

30 "Department," "State Tax Department," or "Beverage Tax  
31 Bureau" means the Division of Taxation in the State Department of

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup> Senate SBA committee amendments adopted June 5, 1997.

1 Taxation and Finance.

2 "Licensed manufacturer" means any person holding a valid and  
3 unrevoked brewery, winery, distillery, or rectifier's license issued  
4 pursuant to the provisions of any relevant law of this State.

5 "Licensed transporter" means any person holding a valid and  
6 unrevoked license or permit to transport alcoholic beverages pursuant  
7 to the provisions of any relevant law of this State.

8 "Licensee" means the holder of any valid and unrevoked license or  
9 special permit issued pursuant to any relevant law of this State,  
10 pertaining to alcoholic beverages.

11 "Liquors" means all distilled or rectified spirits, alcohol, brandy,  
12 whisky, rum, gin and all similar distilled alcoholic beverages, including  
13 all dilutions and mixtures of one or more of the foregoing, such as  
14 liqueurs, cordials, and similar compounds, having an alcoholic content  
15 of one-half of one per centum (  $1/2$  of 1%) or more by volume.

16 "Manufacturer" means any person holding a valid and unrevoked  
17 brewery, winery, distillery, supplemental limited distillery, or rectifier  
18 and blender's license, issued pursuant to the provisions of any relevant  
19 law of this State.

20 "Person" means a natural person, an association, a partnership or  
21 a corporation.

22 "Plenary retail transit licensee" means any person holding a valid  
23 and unrevoked plenary retail transit license issued pursuant to any  
24 relevant law of this State, authorizing the sale of alcoholic beverages  
25 for consumption only, on railroad trains, airplanes, and boats, while  
26 in transit in this State.

27 "Return" means the return of alcoholic beverages by a customer to  
28 the source from which such beverages were obtained, upon the  
29 cancellation of a sale, and shall include: (a) actual receipt of the  
30 beverages on the licensed premises of the source or in a licensed public  
31 warehouse for the account of the source; or (b) the sending of the  
32 beverages by the customer to another person upon instructions of the  
33 source; but shall not include any other disposition, such as samples,  
34 breakage, shortage, merchandising credits, or beverages dumped on  
35 the premises of the customer, except where such dumping is done  
36 under the supervision of the Director or his representative.

37 "Sale" means and includes, in addition to its ordinary meaning, any  
38 exchange, gift, loss, theft, or other disposition. In every case where  
39 alcoholic beverages are exchanged, given, lost, stolen or otherwise  
40 disposed of, they shall be deemed to have been sold, unless, in case of  
41 loss by fire, proof is furnished to the satisfaction of the commissioner,  
42 that the alcoholic beverages have been so destroyed that they could  
43 not have been put to any use.

44 "Sparkling wine" means champagne and other effervescent wine  
45 charged with carbon dioxide, whether artificially or as the result of  
46 secondary fermentation of the wine within the container.

1 "State licensee" means any person holding a valid and unrevoked  
2 license or special permit, issued by the State Commissioner of  
3 Alcoholic Beverage Control, and who has posted a bond with the  
4 Director to secure the payment of the alcoholic beverage taxes.

5 "Taxpayer" means a person chargeable with the payment of a tax  
6 pursuant to the provisions of this subtitle.

7 "Transportation licensee" means any person holding a valid and  
8 unrevoked license or special permit to transport alcoholic beverages  
9 pursuant to the provisions of any relevant law of this State.

10 "Treasurer" means the Treasurer of the State of New Jersey.

11 "Vermouth" means any compound made by the mixture of extracts  
12 from macerated aromatic flavoring materials with wines and  
13 manufactured in such manner that the product possesses the taste,  
14 aroma, and characteristics generally attributed to vermouth.

15 "Warehouse receipt" means a certificate or receipt given upon the  
16 storage of alcoholic beverages in a United States custom or United  
17 States internal revenue warehouse under federal bond.

18 "Warehouse receipts licensee" means any person holding a valid  
19 and unrevoked warehouse receipts license issued pursuant to any  
20 relevant law of this State.

21 "Wines" means all wines whether known as "dry wines," "sweet  
22 wines," "still wines," or "fortified wines" and any artificial or  
23 imitation wine or compound sold as wine, and any fruit juice  
24 containing one-half of one per centum ( $1/2$  of 1%) or more of alcohol  
25 by volume, and any other beverage containing alcohol produced by the  
26 fermentation of the natural sugar content of fruits or other agricultural  
27 products containing sugar, which beverage contains one-half of one  
28 per centum ( $1/2$  of 1%) or more of alcohol by volume, but shall not  
29 mean or include vermouth, or cider containing less than three and  
30 two-tenths per centum ( $3 \frac{2}{10}$  %) of alcohol by volume.

31 (cf: P.L.1947, c.18, s.1)

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

34 54:43-1. Tax rates. There are hereby levied and imposed upon any  
35 sale of alcoholic beverages made within this State or upon any  
36 delivery of alcoholic beverages made within or into this State the  
37 following excise taxes:

38 a. Beer--From July 1, 1990 through June 30, 1992, at the rate of  
39 \$0.10 a gallon or fraction thereof and on or after July 1, 1992, at the  
40 rate of \$0.12 a gallon or fraction thereof.

41 b. Liquors--From July 1, 1990 through June 30, 1992, at the rate  
42 of \$4.20 a gallon and on or after July 1, 1992, at the rate of \$4.40 a  
43 gallon.

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

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

46 e. Wines, vermouth and sparkling wines--From July 1, 1990

1 through June 30, 1992, at the rate of \$0.50 a gallon and on or after  
2 July 1, 1992, at the rate of \$0.70 a gallon ; provided however, that  
3 <sup>1</sup>[on and after July 1, 1997]<sup>1</sup> cider containing at least three and  
4 two-tenths per centum (3 2/10 %) of alcohol by volume but not more  
5 than 7 per centum (7%) of alcohol by volume shall be taxed at the rate  
6 of \$0.12 a gallon .

7 (cf: P.L.1990, c.41, s.1)

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9 3. This act shall take effect immediately but remain inoperative  
10 until <sup>1</sup>[July 1, 1997] the first day of the fourth month following  
11 enactment<sup>1</sup>.

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16 Reduces alcoholic beverage tax rate on certain apple cider from \$.70  
17 per gallon wine rate to \$.12 per gallon.