

[Passed Both Houses]

[First Reprint]  
**SENATE, No. 1946**

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# STATE OF NEW JERSEY

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INTRODUCED MARCH 20, 1997

By Senator LITTELL, Assemblymen Lance and Wolfe

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

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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 ( 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

**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 transported.

2 "Department," "State Tax Department," or "Beverage Tax  
3 Bureau" means the Division of Taxation in the State Department of  
4 Taxation and Finance.

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

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

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

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

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

23 "Person" means a natural person, an association, a partnership or  
24 a corporation.

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

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

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

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

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

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

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

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

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

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

21      "Warehouse receipts licensee" means any person holding a valid  
22 and unrevoked warehouse receipts license issued pursuant to any  
23 relevant law of this State.

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

34      (cf: P.L.1947, c.18, s.1)

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

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

41      a. Beer--From July 1, 1990 through June 30, 1992, at the rate of  
42 \$0.10 a gallon or fraction thereof and on or after July 1, 1992, at the  
43 rate of \$0.12 a gallon or fraction thereof.

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

1       c. (Deleted by amendment, P.L.1972, c.53.)  
2       d. (Deleted by amendment, P.L.1972, c.53.)  
3       e. Wines, vermouth and sparkling wines--From July 1, 1990  
4       through June 30, 1992, at the rate of \$0.50 a gallon and on or after  
5       July 1, 1992, at the rate of \$0.70 a gallon ;provided however, that  
6       '[on and after July 1, 1997]<sup>1</sup> cider containing at least three and  
7       two-tenths per centum (3 2/10 %) of alcohol by volume but not more  
8       than 7 per centum (7%) of alcohol by volume shall be taxed at the rate  
9       of \$0.12 a gallon .

10      (cf: P.L.1990, c.41, s.1)

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

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