

Ways and Means  
Nolting, Chairperson  
Redmond  
Kelly

REC'D JAN 19 1978

SENATE FILE 2049

By MILLER of Marshall and  
TAYLOR

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

### A BILL FOR

1 An Act to create a substance abuse rehabilitation and preven-  
2 tion fund financed by taxes on consumers of beer and alco-  
3 holic beverages and to provide for the use of the fund for  
4 the rehabilitation of substance abusers.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. There is established in the of-  
2 fice of the treasurer of state a fund to be known as the sub-  
3 stance abuse rehabilitation and prevention fund. The substance  
4 abuse rehabilitation and prevention fund shall consist of  
5 revenues derived from substance abuse rehabilitation and  
6 prevention taxes imposed by sections two (2) and three (3)  
7 of this Act and any other moneys appropriated thereto.

8 Sec. 2. NEW SECTION. There shall be levied and collected  
9 from class "A" beer permittees a substance abuse rehabilitation  
10 and prevention tax on all beer manufactured for sale and sold  
11 in the state at wholesale and on all imported beer sold at  
12 wholesale in this state at the rate of one dollar for every  
13 barrel containing thirty-one gallons, and at the same rate  
14 for any other quantity or for the fractional part of a barrel.  
15 No tax shall be levied or collected on beer shipped outside  
16 this state by a class "A" permittee or sold by one class "A"  
17 permittee to another class "A" permittee. All of the  
18 provisions of this chapter relating to the administration  
19 of the barrel tax on beer shall apply to the tax imposed by  
20 this section, except that the taxes collected pursuant to  
21 this section shall be remitted to the treasurer of state and  
22 shall be deposited in the substance abuse rehabilitation and  
23 prevention fund, and except that the barrel tax rebate shall  
24 not apply to the substance abuse rehabilitation and prevention  
25 tax. The tax imposed by this section shall be in addition  
26 to any other taxes imposed by law.

27 Sec. 3. NEW SECTION. There is imposed upon the purchase  
28 of alcoholic beverages in this state a tax at the rate of  
29 two percent of the purchase price of such alcoholic beverages.  
30 The tax shall be collected from persons purchasing alcoholic  
31 beverages at the time of purchase of alcoholic beverages from  
32 the state. The tax imposed by this section shall be in  
33 addition to any other taxes imposed by law.

34 Notwithstanding any other provision of this chapter, all  
35 revenues derived from the tax imposed by this section shall

1 be remitted monthly by the Iowa liquor control commission  
2 to the treasurer of state and shall be deposited in the  
3 substance abuse rehabilitation and prevention fund.

4 Sec. 4. NEW SECTION. The treasurer of state shall dis-  
5 tribute quarterly the revenues deposited in the substance  
6 abuse rehabilitation and prevention fund as follows:

7 1. One-half of the revenues derived pursuant to sections  
8 two (2) and three (3) of this Act shall be distributed to  
9 the Iowa department of substance abuse.

10 2. One-half of the revenues derived pursuant to sections  
11 two (2) and three (3) of this Act shall be distributed to  
12 each county treasurer in an amount determined by dividing  
13 the total population of each county by the total population  
14 of the state according to the latest federal decennial census.

15 3. Any other moneys deposited in the substance abuse  
16 rehabilitation and prevention fund shall be distributed equally  
17 as provided in subsections one (1) and two (2) of this section.

18 Warrants for the payment of funds pursuant to this sec-  
19 tion shall be issued by the state comptroller upon certifi-  
20 cation of the treasurer of state.

21 Sec. 5. NEW SECTION.

22 1. Revenues distributed pursuant to the provisions of  
23 section four (4) of this Act shall be used, subject to the  
24 limitation contained in subsection two (2) of this section,  
25 for the following purposes:

26 a. The administrative expenses, excluding salaries, of  
27 the Iowa department of substance abuse.

28 b. The rehabilitation of substance abusers pursuant to  
29 the provisions of chapter one hundred twenty-five (125) of  
30 the Code.

31 c. The implementation of new substance abuser treatment  
32 procedures and services.

33 d. The matching of any other county expenses for the care,  
34 maintenance and rehabilitation of substance abusers by the  
35 Iowa department of substance abuse.



1 tax on beer and a special two percent sales tax on alcoholic  
2 beverages. It provides for distribution of the fund to the  
3 Iowa department of substance abuse and to the respective  
4 counties, for use in supporting existing substance abuse  
5 rehabilitation and prevention programs and in implementing  
6 new procedures and services.

7 Section 6 of the bill abolishes the special tax on persons  
8 licensed to sell alcoholic beverages for consumption on the  
9 premises.

10 Section 7 of the bill provides for a price increase of  
11 alcoholic beverages sold in state liquor stores to supplement  
12 revenues previously derived from the special tax.

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