A BILL FOR

1 An Act providing for an increase in the barrel tax on beer, and
2 making appropriations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
Section 1. Section 123.136, Code 2018, is amended to read as follows:

123.136 Barrel tax — allocations.

1. In addition to the annual permit fee to be paid by all class “A” beer permittees under this chapter there shall be levied and collected from the permittees on all beer manufactured for sale or sold in this state at wholesale and on all beer imported into this state for sale at wholesale and sold in this state at wholesale, and from special class “A” beer permittees on all beer manufactured for consumption on the premises and on all beer sold at retail at the manufacturing premises for consumption off the premises pursuant to section 123.130, subsection 3, a tax of five twenty-two and eighty-nine sixty-three hundredths dollars for every barrel containing thirty-one gallons, and at a like rate for any other quantity or for the fractional part of a barrel. However, no tax shall be levied or collected on beer shipped outside this state by a class “A” beer permittee or sold by one class “A” beer permittee to another class “A” beer permittee.

2. All revenue derived from the barrel tax shall be distributed as follows:

a. An amount equal to eight and thirty-seven hundredths dollars for every barrel, and at a like rate for any other quantity or for the fractional part of a barrel, shall be appropriated to the governor’s office of drug control policy, as referred to in section 80E.1, for substance abuse treatment and prevention programs.

b. An amount equal to eight and thirty-seven hundredths dollars for every barrel, and at a like rate for any other quantity or for the fractional part of a barrel, shall be appropriated to the Iowa department of public health for use in administering the comprehensive substance abuse program under chapter 125 for substance abuse treatment and prevention programs.

c. All remaining revenue derived from the barrel tax shall
accrue to the state general fund.

3. All of the provisions of this chapter relating to the administration of the barrel tax on beer shall apply to this section.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill provides for an increase in the barrel tax on beer and appropriates a portion of the revenue derived from the barrel tax for substance abuse and prevention programs.

Code section 123.136(1), establishing the barrel tax on beer, is amended by increasing the tax on a barrel, which constitutes 31 gallons, from $5.89 per barrel to $22.63 per barrel.

Code section 123.136(2), concerning the allocation of revenue derived from the barrel tax, is amended. The bill provides that of the tax revenue collected, an amount equal to $8.37 shall each be appropriated to the governor's office of drug control policy and to the Iowa department of public health for substance abuse treatment and prevention programs. The bill provides that all remaining revenue derived shall accrue to the general fund of the state.