

House File 2268 - Introduced

HOUSE FILE 2268

BY BAXTER, McKEAN, and R.
TAYLOR

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:

1 Section 1. Section 123.136, Code 2018, is amended to read
2 as follows:

3 **123.136 Barrel tax — allocations.**

4 1. In addition to the annual permit fee to be paid by
5 all class "A" beer permittees under **this chapter** there shall
6 be levied and collected from the permittees on all beer
7 manufactured for sale or sold in this state at wholesale and
8 on all beer imported into this state for sale at wholesale and
9 sold in this state at wholesale, and from special class "A"
10 beer permittees on all beer manufactured for consumption on the
11 premises and on all beer sold at retail at the manufacturing
12 premises for consumption off the premises pursuant to section
13 123.130, subsection 3, a tax of ~~five~~ twenty-two and ~~eighty-nine~~
14 sixty-three hundredths dollars for every barrel containing
15 thirty-one gallons, and at a like rate for any other quantity
16 or for the fractional part of a barrel. However, no tax shall
17 be levied or collected on beer shipped outside this state
18 by a class "A" beer permittee or sold by one class "A" beer
19 permittee to another class "A" beer permittee.

20 2. ~~All revenue~~ Revenue derived from the barrel tax shall be
21 distributed as follows:

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

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

35 c. All remaining revenue derived from the barrel tax shall

1 accrue to the state general fund.

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

5

EXPLANATION

6

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

7

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

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

15 Code section 123.136(2), concerning the allocation of
16 revenue derived from the barrel tax, is amended. The bill
17 provides that of the tax revenue collected, an amount equal to
18 \$8.37 shall each be appropriated to the governor's office of
19 drug control policy and to the Iowa department of public health
20 for substance abuse treatment and prevention programs. The
21 bill provides that all remaining revenue derived shall accrue
22 to the general fund of the state.