

House File 830 - Introduced

HOUSE FILE 830
BY BAETH and WILZ

A BILL FOR

- 1 An Act concerning the wholesale price of alcoholic liquor offered
- 2 for sale by the department of revenue.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 123.24, subsection 2, paragraphs a and b,
2 Code 2025, are amended to read as follows:

3 a. The manufacturer's price or the minimum unit price,
4 whichever is greater.

5 b. A markup of up to fifty percent of the wholesale price
6 paid by the department for the alcoholic liquor or the minimum
7 unit price, whichever is greater. The department may increase
8 the markup on selected kinds of alcoholic liquor sold by the
9 department if the average return to the department on all sales
10 of alcoholic liquor does not exceed the wholesale price paid by
11 the department or the minimum unit price, whichever is greater,
12 and the fifty percent markup.

13 Sec. 2. Section 123.24, Code 2025, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 5. For purposes of this section, "*minimum*
16 *unit price*" means an amount equal to fifty cents per eighteen
17 milliliters of alcohol in the package of alcoholic liquor, as
18 determined by the department.

19 EXPLANATION

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

22 Under current law, the price of alcoholic liquor sold by
23 the department of revenue (department) to class "E" retail
24 alcohol licensees (licensees) consists of, among other things,
25 the manufacturer's price and a markup of up to 50 percent of the
26 wholesale price paid by the department for the alcoholic liquor.
27 The department is the sole wholesaler of alcoholic liquor sold
28 to licensees located in this state. Licensees are authorized
29 to sell liquor, wine, and beer in original unopened containers
30 at retail to patrons for consumption off the licensed premises.
31 Licensees may also sell alcoholic liquor, high alcoholic content
32 beer, and limited quantities of beer and wine at wholesale to
33 other retail alcohol licensees.

34 This bill provides that if the minimum unit price of the
35 alcoholic liquor is higher than the manufacturer's price or, for

1 purposes of the 50 percent markup, higher than the wholesale
2 price paid by the department, the minimum unit price is used
3 to calculate the price of the alcoholic liquor sold by the
4 department. The minimum unit price is an amount equal to 50
5 cents per 18 milliliters of alcohol in the package of alcoholic
6 liquor, as determined by the department.

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