

House Study Bill 273 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON WAYS
AND MEANS BILL BY CHAIRPERSON
KAUFMANN)

A BILL FOR

- 1 An Act concerning quarterly reports on and payments of beer
- 2 barrel and wine gallonage taxes, and including effective date
- 3 provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 123.137, subsection 1, Code 2025, is
2 amended to read as follows:

3 1. a. Except as provided in paragraph "b", a person
4 holding a class "A" or special class "A" beer permit shall,
5 on or before the tenth day of each calendar month commencing
6 on the tenth day of the calendar month following the month in
7 which the person is issued a beer permit, make a report under
8 oath to the department electronically, or in a manner prescribed
9 by the director, showing the exact number of barrels of beer,
10 or fractional parts of barrels, sold by the beer permit holder
11 during the preceding calendar month. The report shall also state
12 information the director requires, and beer permit holders shall
13 at the time of filing a report pay to the department the amount
14 of tax due at the rate fixed in section 123.136.

15 b. A class "A" or special class "A" beer permit holder who
16 reasonably expects to be liable for not more than two thousand
17 five hundred dollars in barrel tax for the twelve-month period
18 beginning July 1 and ending June 30, and who was liable for not
19 more than two thousand five hundred dollars in barrel tax in the
20 immediately preceding twelve-month period beginning July 1 and
21 ending June 30, may file reports and pay taxes due as described
22 in paragraph "a" on a quarterly basis according to the following
23 schedule:

24 (1) On or before October 10 for the months of July, August,
25 and September.

26 (2) On or before January 10 for the months of October,
27 November, and December.

28 (3) On or before April 10 for the months of January,
29 February, and March.

30 (4) On or before July 10 for the months of April, May, and
31 June.

32 Sec. 2. Section 123.184, subsection 1, Code 2025, is amended
33 to read as follows:

34 1. a. Each Except as provided in paragraph "b", a class "A"
35 wine permit holder on or before the tenth day of each calendar

1 month commencing on the tenth day of the calendar month following
2 the month in which the person is issued a permit, shall make
3 a report under oath to the department electronically, or in a
4 manner prescribed by the director, showing the exact number of
5 gallons of wine and fractional parts of gallons sold by that
6 permit holder during the preceding calendar month. The report
7 also shall state whatever reasonable additional information the
8 director requires. The permit holder at the time of filing this
9 report shall pay to the department the amount of tax due at the
10 rate fixed in section 123.183.

11 b. A class "A" wine permit holder who reasonably expects to
12 be liable for not more than two thousand five hundred dollars
13 in wine gallonage tax for the twelve-month period beginning July
14 1 and ending June 30, and who was liable for not more than
15 two thousand five hundred dollars in wine gallonage tax in the
16 immediately preceding twelve-month period beginning July 1 and
17 ending June 30, may file reports and pay taxes as described in
18 paragraph "a" on a quarterly basis according to the following
19 schedule:

20 (1) On or before October 10 for the months of July, August,
21 and September.

22 (2) On or before January 10 for the months of October,
23 November, and December.

24 (3) On or before April 10 for the months of January,
25 February, and March.

26 (4) On or before July 10 for the months of April, May, and
27 June.

28 c. A penalty of ten percent of the amount of the tax shall
29 be assessed and collected if the report required to be filed
30 pursuant to this subsection is not filed and the tax paid within
31 the time required by this subsection.

32 Sec. 3. EFFECTIVE DATE. This Act takes effect January 1,
33 2026.

34 EXPLANATION

35 The inclusion of this explanation does not constitute agreement with

1 the explanation's substance by the members of the general assembly.

2 Under current law, class "A" and special class "A" beer permit
3 holders are required to submit barrel tax reports and payments
4 to the department of revenue (department) on or before the 10th
5 day of each month. The beer barrel tax rate is \$5.89 for every
6 31-gallon barrel, and the fractional equivalent for a portion
7 of a barrel, on all beer manufactured for sale and sold in
8 this state at wholesale, all beer imported into this state for
9 sale at wholesale and sold in this state at wholesale, and (for
10 special class "A" beer permittees) all beer manufactured for
11 consumption on the premises and all beer sold at retail at the
12 manufacturing premises for consumption off the premises. Beer
13 sold out-of-state by class "A" and special class "A" beer permit
14 holders or sold to another class "A" beer permit holder is not
15 subject to the barrel tax.

16 Under current law, a class "A" wine permit holder is similarly
17 required to report on and pay the wine gallonage tax to the
18 department on or before the 10th day each month on all wine
19 manufactured for sale and sold in this state at wholesale and
20 wine imported into this state for sale at wholesale and sold
21 in this state at wholesale. The wine gallonage tax rate is
22 \$1.75 per gallon and the fractional equivalent for a portion of
23 a gallon. Wine sold to another class "A" wine permittee or to
24 a distributor outside of the state is not subject to the wine
25 gallonage tax.

26 This bill allows class "A" and special class "A" beer permit
27 holders and class "A" wine permit holders who reasonably expect
28 to be liable for not more than \$2,500 in beer barrel tax or wine
29 gallonage tax, respectively, for the 12-month period beginning
30 July 1 and ending June 30, and who were liable for not more than
31 \$2,500 in beer barrel tax or wine gallonage tax, respectively,
32 in the immediately preceding 12-month period, to file reports and
33 pay taxes to the department on or before the 10th day following
34 the end of each quarter, as specified in the bill.

35 The bill takes effect January 1, 2026.