

House Study Bill 309 - Introduced

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

A BILL FOR

- 1 An Act concerning the beer barrel tax.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 123.3, Code 2025, is amended by adding the
2 following new subsections:

3 NEW SUBSECTION. 19A. "*Domestic brewery*" means the land and
4 buildings located in the United States where beer is manufactured
5 and stored.

6 NEW SUBSECTION. 19B. "*Foreign import beer*" means beer
7 manufactured and imported from outside of the United States.

8 Sec. 2. Section 123.136, subsection 1, Code 2025, is amended
9 to read as follows:

10 1. In addition to the annual permit fee to be paid by all
11 class "A" beer permittees under this chapter, there shall be
12 levied and collected from the permittees on all beer manufactured
13 for sale or sold in this state at wholesale and on all beer
14 imported into this state for sale at wholesale and sold in this
15 state at wholesale, and from special class "A" beer permittees on
16 all beer manufactured for consumption on the premises and on all
17 beer sold at retail at the manufacturing premises for consumption
18 off the premises pursuant to section 123.130, subsection 4, a
19 tax of one and eighty-six hundredths dollars for every barrel
20 containing thirty-one gallons of beer manufactured in a domestic
21 brewery and a tax of five and eighty-nine hundredths dollars
22 for every barrel containing thirty-one gallons of foreign import
23 beer, and at a like rate for any other quantity or for the
24 fractional part of a barrel. However, no tax shall be levied or
25 collected on beer shipped outside this state by a class "A" beer
26 permittee or special class "A" beer permittee or on beer sold to
27 a class "A" beer permittee by a special class "A" beer permittee
28 or another class "A" beer permittee.

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EXPLANATION

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The inclusion of this explanation does not constitute agreement with

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

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Under current law, class "A" beer permittees pay \$5.89 to
33 the department of revenue on every 31-gallon barrel of beer
34 manufactured for sale or sold in this state at wholesale and on
35 all beer imported into this state for sale at wholesale and sold

1 in this state at wholesale. Special class "A" beer permittees
2 pay a like amount on all beer manufactured for consumption on
3 the premises and on all beer sold at retail at the manufacturing
4 premises for consumption off the premises. Other quantities and
5 fractional parts of a barrel are taxed at a proportional rate.

6 This bill instead requires a class "A" or special class "A"
7 beer permittee to pay \$5.89 for every 31-gallon barrel of foreign
8 import beer, defined in the bill, and \$1.86 for every 31-gallon
9 barrel of beer manufactured in a domestic brewery, defined in
10 the bill, and at a like rate for any other quantity or for the
11 fractional part of a barrel.

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