

Senate File 2291 - Introduced

SENATE FILE 2291
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3062)

A BILL FOR

1 An Act concerning the beer barrel tax.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 123.3, Code 2026, is amended by adding
2 the following new subsections:

3 NEW SUBSECTION. 4A. "*American brewery*" means the land
4 and buildings located in the United States where beer is
5 manufactured 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 2026, 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
12 be levied and collected from the permittees on all beer
13 manufactured for sale or sold in this state at wholesale and
14 on all beer imported into this state for sale at wholesale and
15 sold in this state at wholesale, and from special class "A"
16 beer permittees on all beer manufactured for consumption on the
17 premises and on all beer sold at retail at the manufacturing
18 premises for consumption off the premises pursuant to section
19 123.130, subsection 4, a tax of one and eighty-six hundredths
20 dollars for every barrel containing thirty-one gallons of beer
21 manufactured in an American brewery and a tax of five and
22 eighty-nine hundredths dollars for every barrel containing
23 thirty-one gallons of foreign import beer, and at a like rate
24 for any other quantity or for the fractional part of a barrel.
25 However, no tax shall be levied or collected on beer shipped
26 outside this state by a class "A" beer permittee or special
27 class "A" beer permittee or on beer sold to a class "A" beer
28 permittee by a special class "A" beer permittee or another
29 class "A" beer permittee.

30 EXPLANATION

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

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

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

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