



Notice

2014 Liquor Excise Tax Return Rate Changes

Effective January 1, 2014

Legislation Passed In 2013 Becomes Effective January 1, 2014

New legislation passed in 2013. Senate Bills 81 and 116 expand the volume limit allowed to be considered a microbrewer for a period of 10 years. The legislation also permanently expands the volume limit allowed to be considered a small winegrower, and imposes new tax rates for the microbrewer and small winegrower on the volume increases. This new law is effective January 1, 2014.

New Definitions

Effective January 1, 2014 are changes to the definition of “microbrewer” and the definition of “small winegrower.”

Microbrewer. For years before 2014 and for year 2024 and subsequent years, a microbrewer is a person who produces less than 5,000 barrels of beer in a year. For years 2014 through 2023, a microbrewer is a person who produces fewer than 15,000 barrels of beer in a year.

Small winegrower. A small winegrower is a person who produces less than 1,500,000 liters of wine in one year.

New Tax Rates for Microbrewers and Small Winegrowers

Effective January 1, 2014 and through January 1, 2024, the liquor excise tax rate on the increased volume limit for microbrewers is:

- ◆ \$0.08 per gallon of microbeer for sales up to 10,000 barrels (310,000 gallons)
- ◆ \$0.28 per gallon of microbeer for sales from 10,001 to 14,999 barrels (310,031 to 464,969 gallons)

The conversion factor from barrels to gallons is one barrel of beer = 31 U.S. gallons.

For small wineries or winegrowers, the liquor excise tax rate on the increased volume limit is \$0.30 per liter of wine for sales from 950,001 to 1,499,999 liters. The tax rate of \$0.10 per liter of wine still applies to the first 80,000 liters sold, and the tax rate of \$0.20 per liter of wine applies to sales from 80,001 to 950,000 liters.

For More Information

If you would like more information about these tax rate changes or about the definitions, please call 505 827-0768.