

A. FEDERAL / NATIONAL / INTERNATIONAL

Small Brewer Graduated Excise Tax Rate Reduction. [HR 4278](#), legislation seeking to enact a graduated beer excise tax rate of \$3.50 and \$16 for America's small brewers, was introduced in the U.S. House of Representatives by Representative Richard Neal of Massachusetts and Representative Kevin Brady of Texas on December 10, 2009.

The bill incorporates the small brewer excise tax reduction component of the previously introduced [H.R. 836](#), which would cut the tax rate in half to \$3.50/barrel on the first 60,000 barrels, but also contains a provision to lower the upper tax rate to \$16 per barrel on beer production above 60,000 barrels up to 2 million barrels for brewers with an annual production of less than 6 million barrels.

The Brewers Association has developed a [resource page](#) with the information and tools small brewers need to make the case to their U.S. Representatives for supporting this tax relief measure.

Tax and Trade Bureau Professes Action on Labeling in 2010. In its statement of regulatory priorities (within the master Treasury Department priority [document](#)), TTB states that it will pursue one significant regulatory action in FY 2010, the proposed rulemaking concerning serving facts statements on alcohol beverage labels.

B. THE STATES

Distribution and Franchise:

Maryland

The consumer group Marylanders for Better Beer and wine Laws has vowed increased efforts to move direct wine shipping legislation in the new session. A bill introduced last session failed to move beyond committee consideration, but the group hopes to boost the legislation's fortunes by framing it as a pro-consumer measure.

New York

Companion bills [Senate Bill 5614](#) and [Assembly Bill 488](#) seek to permit brewers with less than 300,000 barrels annual volume and which represent 3% or less of a wholesaler's brand sales measured in case equivalents to terminate an agreement with that wholesaler without having good cause. The legislation also requires payment of fair market value of the applicable distribution rights lost and allows for an arbitration panel to review the fair market value.

Taxation:

California

Failing to gain approval in committee, [A.B. 1019](#) has died for the time being. The bill sought to impose a "mitigation fee" on alcohol beverages to be used to fund the Alcohol-Related Services

Program, the mission of which would be to mitigate the harm of alcohol use. The proposed rate for beer was one dollar and seven cents (\$1.07) per gallon and at a proportionate rate for any other quantity.

Kentucky

The provisions of [House Bill 102](#) would exempt gross receipts from the sale of distilled spirits, wine, and malt beverages, not consumed on the premises, from sales and use tax.

Maryland

Democratic legislators have announced their intention to introduce a dime-a-drink alcohol tax to help fund the 2010 budget shortfall. Republican legislators have vowed to fight the proposed tax increase.

Mississippi

[H.B. 592](#) looks to increase the state excise taxes on all alcohol beverages.

North Dakota

A ballot measure has been proposed to increase taxes on alcohol beverages to fund alcohol education and prevention programs.

Trade Practice & Other:

Alabama

[Senate Bill 153](#) would permit the production of homebrewed beer, mead, cider, and wine for personal use and would facilitate organized tasting and judging events.

Colorado

The Colorado Department of Transportation has developed an [iPhone application](#) that allows the calculation of users' blood alcohol content level.

Florida

Referred to committee for consideration, [Senate Bill 446](#) creates the "Point-of-Purchase Messaging About Alcohol and Pregnancy Act," requiring warning signs be displayed in specific ways on the premises of alcoholic beverage vendors and manufacturers.

Indiana

[Senate Bill 75](#) gives microbreweries the ability to sell their beer for carryout on Sunday at the address for which the brewer's permit was issued. Consumers would be able to buy up to 7.5 gallons of beer in bottles, or other appropriate containers.

Kentucky

[H.B. 162](#) would permit malt beverage retailers to sell, give away, or deliver malt beverages on election days under specified circumstances.

Michigan

The provisions of [H.B. 5613](#) would allow microbreweries and brewpubs the ability to host homebrewer meetings where beer may be consumed as part of an exhibition or competition as long as the beer is not offered for sale and portions do not exceed 6 ounces.

Mississippi

[House Bill 731](#) seeks to increase the amount of alcohol that beer may contain from 5% to 10% by weight.

Introduced and referred to the Ways and Means Committee, [H.B. 732](#) provides that a person has the right to brew homemade beer for personal, family, domestic or household use.

Missouri

[House Bill 1355](#) reduces from 45 to 20 the different types of draft beer that a restaurant bar without an on-site brewery must serve to be able to sell 32 fluid ounces or more of beer for consumption off the premises.

[H.B. 1367](#) seeks to allow any brewer, vintner, distiller, manufacturer or wholesaler to provide beverage samples on certain licensed retail premises for tasting purposes.

South Dakota

[Senate Bill 3](#) would require nondiscriminatory pricing between malt beverage suppliers and malt beverage wholesalers.

Washington

Companion bills [H.B. 2845](#) and [S.B. 6204](#) seek to privatize the sale of alcohol in the state.