

111TH CONGRESS  
1ST SESSION

# H. R. 4278

To amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 10, 2009

Mr. NEAL OF MASSACHUSETTS (for himself, Mr. BRADY OF TEXAS, Mr. BLUMENAUER, Mr. HERGER, Mr. DEFAZIO, Mr. REHBERG, Mr. LYNCH, and Mr. DENT) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### **SECTION 1. REDUCED RATE OF EXCISE TAX ON BEER PRODUCED DOMESTICALLY BY CERTAIN SMALL PRODUCERS.**

(a) IN GENERAL.—Paragraph (2) of section 5051(a) of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and

(2) by striking subparagraph (A) and inserting the following new subparagraphs:

“(A) IN GENERAL.—In the case of a brewer who produces not more than 6,000,000 barrels of beer during the calendar year, the per barrel rate of tax imposed by this section shall be—

“(i) \$3.50 on the first 60,000 qualified barrels of

production, and

“(ii) \$16 on the first 1,940,000 qualified barrels of production to which clause (i) does not apply.

“(B) QUALIFIED BARRELS OF PRODUCTION.—For purposes of this paragraph, the term ‘qualified barrels of production’ means, with respect to any brewer for any calendar year, the number of barrels of beer which are removed in such year for consumption or sale and which have been brewed or produced by such brewer at qualified breweries in the United States.”.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 5051(a)(2) of such Code, as redesignated by this section, is amended—

(A) by striking “2,000,000 barrel quantity” and inserting “6,000,000 barrel quantity”, and

(B) by striking “60,000 barrel quantity” and inserting “60,000 and 1,940,000 barrel quantities”.

(2) Subparagraph (D) of such section, as so redesignated, is amended by striking “2,000,000 barrels” and inserting “6,000,000 barrels”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to beer removed during calendar years beginning after the date of the enactment of this Act.

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