

"AN ACT TO AMEND SUBSECTIONS (a), (b), AND (d) OF ACT 109 OF 1935, AS AMENDED, TO IMPOSE A GALLONAGE TAX ON SPIRITUOUS AND VINOUS LIQUORS AND BEER AND TO DEFINE THE TERMS 'SPIRITUOUS LIQUOR', 'PREMIXED SPIRITUOUS LIQUOR', 'VINOUS LIQUOR', 'LIGHT WINE' AND 'LIGHT SPIRITUOUS LIQUOR'; TO AMEND SECTION 2(a) OF ACT 69 OF 1935 TO DEFINE THE TERMS 'WINE' AND 'LIGHT WINE'; TO AMEND SECTION 8 OF ACT 69 OF 1935, AS AMENDED, TO IMPOSE A 75 CENT PER GALLON TAX ON WINE MANUFACTURED AND SOLD IN THIS STATE, AND TO IMPOSE A 25 CENT PER GALLON TAX ON LIGHT WINE MANUFACTURED AND SOLD IN THIS STATE; TO AMEND SECTION 1(a) OF ACT 271 OF 1969 TO IMPOSE A 5 CENT PER CASE TAX ON WINE PRODUCED IN THIS STATE; TO AMEND SECTION 13 OF ACT 282 OF 1949, AS AMENDED, TO IMPOSE A 20 CENT PER CASE TAX ON LIQUOR OF 21% OR MORE ALCOHOL CONTENT AND A 5 CENT PER CASE TAX ON LIQUOR OF LESS THAN 21% ALCOHOL CONTENT AND ON WINE REGARDLESS OF ALCOHOL CONTENT; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Section 3(a) of Act 109 of 1935, as amended [Ark.Stat.Ann. Section 48-402(a)], is hereby amended to read as follows:

"(a) (1) A tax at the rate of two dollars and fifty cents (\$2.50) on each gallon of spirituous liquor sold or offered for sale in the State of Arkansas.

The term 'spirituous liquor' as used in this Section shall mean liquor distilled from the fermented juices of grain, fruits or vegetables and any mixture containing liquor distilled from the fermented juices of grain, fruits or vegetables, with an alcoholic content of twenty-one percent or more alcohol by weight.

(2) A tax at the rate of one dollar (\$1.00) on each gallon of premixed spirituous liquor sold or offered for sale in the State of Arkansas.

The term 'premixed spirituous liquor' as used in this Section shall mean liquor distilled from the fermented juices of grain, fruits or vegetables having an alcoholic content of less than twenty-one percent (21%) alcohol by weight but more than five percent (5%) alcohol by weight.

(3) A tax at the rate of fifty cents (\$.50) on each gallon of light spirituous liquor sold or offered for sale in the State of Arkansas.

The term 'light spirituous liquor' as used in this Section shall mean liquor distilled from the fermented juices of grain, fruits or vegetables and any mixture containing liquor distilled from the fermented juices of grain, fruits or vegetables having an alcohol content of between one half of one percent (0.5%) and five percent (5%) alcohol by weight."

SECTION 2. Section 3(b) of Act 109 of 1935 [Ark. Stat. Ann. Section 48-402(b)], is hereby amended to read as follows:

"(b)(1) A tax at the rate of seventy five cents (\$.75) on each gallon of vinous liquor except wines fermented and manufactured within the State of Arkansas, from grapes, berries or other fruits grown in Arkansas, as authorized by Act 69 of the Acts of the General Assembly of 1935, as amended [Ark. Stats. (1947) Sections 48-601 - 48-612)], sold or offered for sale in the State of Arkansas.

The term 'vinous liquor' as used in this Section shall mean the fermented juices of grapes, berries or other fruits, and any other mixture containing the fermented juices of grapes, berries or other fruits having an alcoholic content of more than five percent (5%) alcohol by weight.

(2) A tax at the rate of twenty five cents (\$.25) on each gallon of light wine (except light wine fermented and manufactured within the State of Arkansas, from grapes, berries or other fruits grown in Arkansas, as authorized by Act 69 of the Acts of the General Assembly of 1935, as amended, [Ark. Stats. (1947) Sections 48-601 - 48-612]), sold or offered for sale in the State of Arkansas.

The term 'light wine' as used in this Section shall mean the fermented juices of grapes, berries or fruits and any other mixture containing the fermented juices of grapes, berries or fruits having an alcoholic content of between one half of one percent (0.5%) and five percent (5%) alcohol by weight.

SECTION 3. Section (3)(d) of Act 109 of 1935, as amended [Ark. Stat. Ann. Section 48-402(d)], is hereby amended to read as follows:

"(d) A tax at the rate of seven dollars and fifty cents (\$7.50) per barrel of thirty-two (32) gallons (and proportionately for larger and smaller gallonages per barrel) on all beer having an alcohol content by weight of five percent (5%) or less sold or offered for sale in the State of Arkansas.

The aforesaid tax shall be paid in the manner prescribed by Act 179 of 1953 (Ark. Stat. Ann. Section 48-412 - 414)."

SECTION 4. Section 2(a) of Act 69 of 1935 [Ark. Stat. Ann. Section 48-602(a)] is hereby amended to read as follows

"(a) 'Wine' means any fermented alcoholic liquor made from grapes, berries, fruits or vegetables and shall include any other mixture containing the fermented juices of grapes, berries, fruits or vegetables, having an alcoholic content of more than five percent (5%) alcohol by weight."

SECTION 5. Section 2 of Act 69 of 1935 [Ark. Stat. Ann. Section 48-602] is hereby amended to add the following subsection, to read as follows:

"(k) 'Light Wine' means any fermented alcoholic liquor made from grapes, berries, fruits or vegetables and shall include any other mixture containing the fermented juices of grapes, berries, fruits or vegetables, having an alcohol content of between one half of one percent (0.5%) alcohol by weight and five percent (5%) alcohol by weight."

SECTION 6. Section 8 of Act 69 of 1935, as amended [Ark. Stat. Ann. Section 48-608], shall be amended to read as follows:

"Section 8. For the privilege of manufacturing wine under the provisions of this Act and for selling it at the winery or in this State, there is hereby imposed, assessed and levied a tax of seventy-five cents (\$.75) per gallon upon all such wine, which is manufactured and sold in this State under the provisions of this Act. For the privilege of manufacturing light wine under the provisions of this Act and for selling it at the winery or in this State, there is hereby imposed, assessed and levied a tax of twenty five cents (\$.25) per gallon upon all such light wine which is manufactured and sold in this State under the provisions of this Act.

Said manufacturer may, by consent of the Commissioner of Revenues, file a bond with the Commissioner, the bond to be approved by him, which will entitle such manufacturer to the privilege of making settlement of his taxes every thirty (30) days, such time to be set by the Commissioner. Provided, however, that the growers of grapes, berries, grains or other vegetables and fruits in this State shall have the right to manufacture, free from said tax, and from grapes, berries or other fruits or vegetables grown by themselves, wine or light wine for consumption in their home by themselves and guests but not for sale, in quantities not to exceed two hundred (200) gallons."

SECTION 7. Section 1(a) of Act 271 of 1969 [Ark. Stat. Ann. Section 48-418(a)], is hereby amended to read as follows:

"(a) An additional tax of five cents (\$.05) per case on each case of native wine produced and sold in this State, including light wines, wine coolers and any other mixture containing the fermented juices of grapes, berries, fruits or vegetables, regardless of the percentage of alcohol content, such tax to be paid by the manufacturer of such wine;"

SECTION 8., Section 13 of Act 282 of 1949, as amended [Ark. Stat. Ann. Section 48-1213], is hereby amended to read as follows:

"Section 13. There is hereby levied and there shall be collected as provided by law and regulation, a tax at the rate of twenty cents (\$.20) per case on liquor and on cordials, liquors, premixed spirituous liquors, and specialties having an alcoholic content of twenty-one percent (21%) or more by weight, and a tax at the rate of five cents (\$.05) per case on liquor and on cordials, liquors, premixed spirituous liquors, light spirituous liquors and specialties having an alcoholic content of less than twenty-one percent (21%) alcohol by weight, and a tax at the rate of five cents (\$.05) per case on sparkling and still wines, including light wines, regardless of alcohol content, to be paid by the wholesaler and not to be passed on by the wholesaler to the retailer or the public, on all such merchandise sold or offered for sale in the State of Arkansas, which shall be in addition to any and all other taxes heretofore or hereafter levied and collected thereon."

SECTION 9. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 10. It is hereby found and determined by the General Assembly that the State of Arkansas is in serious danger of losing revenues which are necessary to provide adequate funding for schools and other essential services required by the citizens of this State and the provisions of this Act are necessary to avoid a substantial reduction in State Revenues. Therefore, an emergency is hereby declared to exist, and this Act being necessary for the preservation of the public peace, health and safety shall be in full force and effect on and after July 1, 1987.

APPROVED: 3/26/87
