

ALCOHOLIC BEVERAGE TAXES

TAX BASE

Beer, wine, mixed beverages, and liquor.

RATES

Beer	
Barrel (31 gallons)	\$5.58
Containers (over 12 oz.) per six ounces	0.84 cent
Containers (12 oz. or less) per ounce	0.14 cent
Wine	
Less than 14% alcohol by volume	32 cents per gallon
14% to 21% alcohol by volume	\$1.00 per gallon
Apple Cider*	24 cents per gallon
Vermouth	\$1.10 per gallon
Sparkling Wine, Champagne	\$1.50 per gallon
Mixed Beverages	\$1.20 per gallon
Liquor	\$3.38 per gallon

* Alcoholic content over 1/2%.

MAJOR EXEMPTIONS

Sacramental wine.
 Sales to the federal government.
 Sales in interstate commerce.
 Small breweries and wineries.

REVENUE (IN MILLIONS)

Fiscal Year	Beer	Wine & Mixed Beverages	Liquor	Total
1998	\$45.0	\$8.1	\$27.3	\$80.4
1999	46.1	8.3	27.7	82.1
2000	46.9	9.0	28.5	84.4
2001 ⁽¹⁾	46.9	8.8	29.0	84.7

⁽¹⁾ For Fiscal Year 2001, \$84.0 million was distributed to the General Revenue Fund and \$0.7 million to the Ohio Grape Industries Fund.

DISPOSITION OF REVENUE

General Revenue Fund.
 Ohio Grape Industries Fund (ORC 4301.432) (five cents per gallon of wine, two cents of which is a temporary levy).

SECTIONS OF OHIO REVISED CODE

Chapters 131, 4301, 4303, 4305, and 4307.

ALCOHOLIC BEVERAGE TAXES

RESPONSIBILITY FOR ADMINISTRATION

Tax Commissioner (beer, wine and mixed beverages).
 Ohio Department of Commerce, Division of Liquor Control (liquor).

REMITTER OF TAX

Manufacturers, Importers, Wholesale Distributors (beer, wine, and mixed beverages).
 Division of Liquor Control (liquor).

PAYMENT DATES

Beer	Advance payment by 18th of current month; balance due 10th of following month.
Wine and Mixed Beverages	18th of each month for previous month.
Liquor Gallonage	Weekly on or before Monday.

SPECIAL PROVISIONS / CREDITS

Taxpayers receive a three percent credit for advance payment of the tax on beer. Taxpayers receive a three percent discount for timely payment on wine and mixed beverages.

Ohio is a liquor monopoly state. Profits deposited in the General Revenue Fund in Fiscal Year 2001 were \$102.0 million, in addition to the liquor gallonage tax revenue.

Any licensed Ohio brewer whose total production, wherever produced, is less than 31 million gallons a year will receive in the following year a credit for the full amount of excise tax up to 9.3 million gallons of beer distributed in Ohio.

Any licensed Ohio wine producer whose total production, wherever produced, does not exceed 500,000 gallons a year will be allowed in the following year a tax exemption for all, but two cents per gallon.

Counties and Convention Facilities Authorities may levy taxes of up to 16 cents per gallon on sales of beer, 32 cents per gallon on sales of wine and mixed beverages, 24 cents per gallon on sales of apple cider, and three dollars per gallon on the sale of spirituous liquor. This revenue is to be used for the construction of a sports facility. Cuyahoga County has adopted this tax as of August 1, 1990. (See **ALCOHOLIC BEVERAGE TAXES-COUNTY.**)

ALCOHOLIC BEVERAGE TAXES

HISTORY OF MAJOR CHANGES

- 1933 • Beer and malt beverages taxed at \$1.00 per barrel.
 - Wine taxed at 10% of retail price.
- 1934 • Liquor gallonage taxed at \$1.00 per gallon.
 - Rate on bottled beer and malt beverages set at .75 cents per six ounces.
- 1935 • Mixed beverages taxed at 10% of retail price.
 - Malt beverage tax increased to \$2.50 per barrel.
- 1939 • Mixed beverages taxed at 40 cents per gallon.
 - Wine tax revised as follows:
 - Wine (less than 14% alcohol) 12 cents per gal.
 - Wine (14% to 21% alcohol) 30 cents per gal.
 - Vermouth 60 cents per gal.
 - Sparkling wine and champagne \$1.00 per gal.
- 1959 • Sales of wine and mixed beverages subject to sales tax.
 - Beer tax increased to \$2.50 per barrel.
- 1967 • Beer and malt beverages subject to sales tax.
- 1969 • Liquor gallonage tax increased to \$2.25 per gallon.
 - Mixed beverages increased to 80 cents per gallon.
 - Wine tax revised as follows:
 - Wine (less than 14% alcohol) 24 cents per gal.
 - Wine (14% to 21% alcohol) 60 cents per gal.
 - Vermouth 75 cents per gal.
 - Sparkling wine and champagne \$1.25 per gal.
- 1981 • Temporary tax increases on beer, malt beverages, wine, and mixed beverages during the period January-June 1981.
- 1982 • Credit against taxes for Ohio brewers and wine producers.
 - Two cents per gallon excise tax increase on wine.
 - Three cents per gallon of wine earmarked for grape industries.

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HISTORY OF MAJOR CHANGES (con't.)

- 1982 • Repeal distinction between “beer” and “malt beverages.”
 - Tax on beer in containers of 12 ounces or less changed to 0.125 cent per ounce.
- 1989 • Barreled beer rate increased \$1.00 to \$3.50 per barrel.
- 1992 • Alcoholic beverage and liquor gallonage rates increased.
- 1995 • An additional two cents of the excise tax on wines allocated to the Ohio grape industry special account until July 1, 1999.
 - Tax on apple cider reduced to 24 cents per gallon.
- 1997 • Department of Liquor Control is renamed Division of Liquor Control and transferred to the Department of Commerce.
- 1999 • Continuation of the two cent/gallon credit to the Ohio Grape Industries Fund until July 1, 2001.
- 2001 • Continuation of the two cent/gallon credit to the Ohio Grape Industries Fund until July 1, 2003.

COMPARISON WITH OTHER STATES⁽¹⁾ (AS OF 12/01)

California

Beer	\$6.20 per bar.
Still Wines (less than 14%)	20 cents per gal.
Sparkling hard cider (14% or more)	20 cents per gal.
Champagne, Sparkling Wine	30 cents per gal.
Distilled Spirits (less than 50%)	\$3.30 per gal.
Distilled Spirits (50% or more)	\$6.60 per gal.

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COMPARISON WITH OTHER STATES⁽¹⁾ (con't.)

Florida	
Malt beverages	48 cents per gal.
(in containers less than one gallon)	6 cents per pint or fraction
Beverages and Wine (0.5% to less than 17.259%)	\$2.25 per gal.
Wine (17.259% or more)	\$3.00 per gal.
Wine Coolers	\$2.25 per gal.
Natural Sparkling Wine	\$3.50 per gal.
Beverages, other than Wine, (17.259% to 55.78%)	\$6.50 per gal.
Spirits	\$9.53 per gal.
Illinois	
Beer (between 0.5% to 7%)	18.5 cents per gal.
Wine (7% or less)	73 cents per gal.
Alcohol and Spirits (20% or more)	\$4.50 per gal.
Indiana	
Beer and Hard Cider	11.5 cents per gal.
Wine (less than 21%)	47 cents per gal.
Wine and Liquor (21% or more)	\$2.68 per gal.
Kentucky	
Beer	\$2.50 per bar.
Wine	50 cents per gal.
Spirits	\$1.92 per gal.
Massachusetts	
Beer	\$3.30 per bar.
Still Wine	55 cents per wine gal.
Sparkling Wine and Champagne	70 cents per wine gal.
Other Alcoholic Beverages:	
(15% or less)	\$1.10 per wine gal.
(over 15% to 50%)	\$4.05 per wine gal.
(over 50%)	\$4.05 per proof gal.
Michigan	
Beer	\$6.30 per bar.
Wine (16% or less):	
Michigan grapes	one cent per lit.
Non-Michigan grapes	13.5 cents per lit.

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COMPARISON WITH OTHER STATES⁽¹⁾ (con't.)

(Michigan Cont.)	
Wine (over 16%):	
Michigan grapes	one cent per lit.
Non-Michigan grapes	20 cents per lit.
Liquor (21% or more):	
On premises	12% of price
Off premises	9.85% of price
Mixed Drinks	48 cents per liter
New Jersey	
Beer	12 cents per gal.
Wines, vermouth, sparkling wines	70 cents per gal.
Liquor	\$4.40 per gal.
New York	
Beer	12.5 cents per gal.
Still Wine	18.93 cents per gal.
Artificial Sparkling Wine	18.93 cents per gal.
Natural Sparkling Wine	18.93 cents per gal.
Liquor (24% or less)	67 cents per lit.
Liquor (more than 24%)	1.70 cents per lit.
Ohio	
Beer: barrels	\$5.58 per bar.
Beer: Containers (over 12 oz.)	0.84 cent per 6 oz.
Beer: Containers (12 oz. or less)	0.14 cent per 1 oz.
Wine (less than 14%)	32 cents per gal.
Wine (14% to 21%)	\$1.00 per gal.
Apple Cider*	24 cents per gal.
Vermouth	\$1.10 per gal.
Sparkling Wine, Champagne	\$1.50 per gal.
Mixed Beverages	\$1.20 per gal.
Liquor	\$3.38 per gal.
Pennsylvania	
Liquor	18% of price (including all applicable federal excise taxes and allowed markups)
Wine	0.5 cent per unit proof per gal.
Beer	\$2.48 per barrel

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COMPARISON WITH OTHER STATES⁽¹⁾ (con't.)

Texas

Beer	\$6.00 per barrel
Wine (14% or less)	20.4 cents per gal.
Wine (over 14%)	40.8 cents per gal.
Sparkling Wine	51.6 cents per gal.
Malt Liquor (over 4%)	19.8 cents per gal.
Distilled Spirits	\$2.40 per gal.

West Virginia

Beer	\$5.50 per barrel
Wine	26.406 cents per liter
Liquor	5% of purchase price

⁽¹⁾ Percentages in parentheses refer to alcohol content.

* Alcohol content over 1/2%.