Alcoholic Beverage Taxes

Taxpayer
- Manufacturers, importers, wholesale distributors (beer, wine, and mixed beverages).
- Ohio Department of Commerce, Division of Liquor Control (liquor).

Tax Base
Beer, wine, mixed beverages, and liquor.

Rates
Beer
- Barrel (31 gallons): $5.58 per barrel
- Containers (over 12 ounces) per six ounces: 0.84 cent(s)
- Containers (12 ounces or less) per ounce: 0.14 cent(s)

Wine
- Less than 14% alcohol by volume: 32 cents per gallon
- 14% to 21% alcohol by volume: $1.00 per gallon
- Apple cider (alcohol content over 0.5% by volume): 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

Major Exemptions
- Sacramental wine.
- Sales to the federal government.
- Sales in interstate commerce.
- Small breweries and wineries.
Alcoholic Beverage Taxes

Revenue (In Millions)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Beer</th>
<th>Wine &amp; Mixed Beverages</th>
<th>Liquor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$46.9</td>
<td>$8.8</td>
<td>$29.0</td>
<td>$84.7</td>
</tr>
<tr>
<td>2002</td>
<td>47.6</td>
<td>8.9</td>
<td>29.3</td>
<td>85.8</td>
</tr>
<tr>
<td>2003</td>
<td>48.3</td>
<td>9.0</td>
<td>29.7</td>
<td>87.0</td>
</tr>
<tr>
<td>2004</td>
<td>48.1</td>
<td>9.1</td>
<td>30.9</td>
<td>88.1</td>
</tr>
<tr>
<td>2005</td>
<td>48.1</td>
<td>9.5</td>
<td>32.2</td>
<td>89.8</td>
</tr>
</tbody>
</table>

Disposition of Revenue
- Ohio Grape Industries Fund (see Ohio Revised Code section 4301.432: five cents per gallon of wine, two cents of which is a temporary levy).
- Remainder to the General Revenue Fund.

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
- Beer taxpayers can receive a 3.0% discount on the amount of their estimated advance payment when filing and paying their return. Estimated advance payments must be made by the 18th of the month, and returns are due by the 10th of the following month.
- Wine and mixed beverages taxpayers can receive a 3.0% discount for timely filing of their return and payment of the tax if payment is received by the 18th of the month.
- Any licensed Ohio brewer whose total production is less than 31 million gallons in a calendar 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, and a refund of any excise tax paid.
- Any licensed Ohio wine producer whose total sales do not exceed 500,000 gallons in a calendar year will be granted in the tax.ohio.gov
Alcoholic Beverage Taxes

Following year an exemption from excise tax and a refund of any excise tax paid.

Counties and convention facilities authorities may levy taxes of up to 16 cents per gallon on beer, 32 cents per gallon on wine and mixed beverages, 24 cents per gallon on apple cider, and $3.0 per gallon on spirituous liquor. This revenue is to be used for the construction of a sports facility. Cuyahoga County adopted this tax effective August 1, 1990 (see Alcoholic Beverage Taxes — County section).

Sections of Ohio Revised Code
Chapters 131, 4301, 4303, 4305, and 4307.

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

History of Major Changes
1933 • Beer and malt beverages taxed at $1.00 per barrel.
• Wine taxed at 10% of retail price.
1934 • Liquor taxed at $1.00 per gallon.
• Rate on bottled beer and malt beverages set at 0.75 cent(s) 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 gallon.
  Wine (14% to 21% alcohol)  30 cents per gallon.
  Vermouth  60 cents per gallon.
  Sparkling wine and champagne  $1.00 per gallon.
1959 • Sales of wine and mixed beverages subjected to sales tax.
• Beer tax increased to $2.50 per barrel.
Alcoholic Beverage Taxes

1967 • Beer and malt beverages subjected to sales tax.

1969 • Liquor gallonage tax increased to $2.25 per gallon.
  • Mixed beverage tax increased to 80 cents per gallon.
  • Wine tax revised as follows:
    Wine (less than 14% alcohol)  24 cents per gallon.
    Wine (14% to 21% alcohol)  60 cents per gallon.
    Vermouth  75 cents per gallon.
    Sparkling wine and champagne  $1.25 per gallon.

1981 • Temporary tax increases on beer, malt beverages, wine, and mixed beverages during the period January - June 1981.

1982 • Credit against taxes enacted for Ohio brewers and wine producers.
  • Wine tax increased two cents per gallon.
  • Three cents per gallon of tax on wine earmarked for Ohio grape industries.
  • Distinction between “beer” and “malt” beverages repealed.
  • Tax on beer in containers of 12 ounces or less changed to 0.125 cent(s) per ounce.

1989 • Barreled beer rate increased to $3.50 per barrel.

1992 • Alcoholic beverage and liquor gallonage rates increased, as follows:
  - Beer to 0.14 cent(s) per ounce for bottled and $5.58 per barrel.
  - Wine (less than 14% alcohol) to 32 cents per gallon.
  - Wine (between 14% and 21% alcohol) to $1.00 per gallon.
  - Sparkling wine to $1.50 per gallon.
  - Vermouth to $1.10 per gallon.
  - Mixed beverages to $1.20 per gallon.

1995 • An additional two cents of the excise tax on wine allocated to the Ohio grape industry special account until July 1, 1999.
Alcoholic Beverage Taxes

- Tax on apple cider reduced to 24 cents per gallon.

1997 • Department of Liquor Control was renamed Division of Liquor Control and transferred to the Department of Commerce.

1999 • Continuation of the two cents/gallon credit to the Ohio Grape Industries Fund until July 1, 2001.

2001 • Continuation of the two cents/gallon credit to the Ohio Grape Industries Fund until July 1, 2003.

2003 • Continuation of the two cents/gallon credit to the Ohio Grape Industries Fund until July 1, 2005.

2005 • Continuation of the two cents/gallon credit to the Ohio Grape Industries Fund until July 1, 2007.

Comparisons with Other States (As of 04/06)

Notes: (1)Percentages refer to alcohol content, which is measured by volume. (2)Beer excludes malt beverages.

<table>
<thead>
<tr>
<th>State</th>
<th>Beer (0.5% to less than 17.259%)</th>
<th>Still wines (0% to less than 17.259%)</th>
<th>Sparkling hard cider (0% to less than 17.259%)</th>
<th>Champagne, sparkling wine (0% to less than 17.259%)</th>
<th>Distilled spirits (100 proof or less)</th>
<th>Distilled spirits (over 100 proof)</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>20 cents per gallon</td>
<td>20 cents per gallon</td>
<td>20 cents per gallon</td>
<td>30 cents per gallon</td>
<td>$3.30 per gallon</td>
<td>6.60 per gallon</td>
</tr>
<tr>
<td>Florida</td>
<td>48 cents per gallon</td>
<td>89 cents per gallon</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: (1)Percentages refer to alcohol content, which is measured by volume. (2)Beer excludes malt beverages.
## Alcoholic Beverage Taxes

### Comparisons with Other States (As of 04/06)

**Notes:** (1) Percentages refer to alcohol content, which is measured by volume. (2) Beer excludes malt beverages.

<table>
<thead>
<tr>
<th>State</th>
<th>Natural sparkling wine</th>
<th>Illinois</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Beer and cider (between 0.5% to 7.0%) 18.5 cents per gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Alcohol and spirits, including wine (less than 20%) 73 cents per gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Alcohol and spirits (20% or more) $4.50 per gallon</td>
</tr>
<tr>
<td>Illinois</td>
<td></td>
<td><strong>Beer and cider</strong> (between 0.5% to 7.0%) 18.5 cents per gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Alcohol and spirits, including wine</strong> (less than 20%) 73 cents per gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Alcohol and spirits</strong> (20% or more) $4.50 per gallon</td>
</tr>
<tr>
<td>Indiana</td>
<td></td>
<td><strong>Beer and hard cider</strong> 11.5 cents per gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Mixed beverages</strong> (15% or less) 47 cents per gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Wine</strong> (less than 21%) 47 cents per gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Liquor and wine</strong> (21% or more) $2.68 per gallon</td>
</tr>
<tr>
<td>Kentucky</td>
<td></td>
<td><strong>Beer</strong> $2.50 per barrel</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Wine</strong> 50 cents per gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Spirits</strong> 1.92 per gallon</td>
</tr>
<tr>
<td>Massachusetts</td>
<td></td>
<td><strong>Beer</strong> $3.30 per 31-gallon barrel</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Cider</strong> (3.0% to 6.0%) 3.0 cents per wine gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Still wine, including vermouth</strong> 55 cents per wine gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Sparkling wine and champagne</strong> 70 cents per wine gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Other alcoholic beverages:</strong> (15% or less) 1.10 per wine gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(over 15% to 50%) 4.05 per wine gallon</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(over 50%) 4.05 per proof gallon</td>
</tr>
</tbody>
</table>
Alcoholic Beverage Taxes

Comparisons with Other States (As of 04/06)(1)/(2)

Notes: (1)Percentages refer to alcohol content, which is measured by volume. (2)Beer excludes malt beverages.

Michigan
Beer $6.30 per 31-gallon barrel
Wine (16% or less) 13.5 cents per liter
Wine (over 16%) 20 cents per liter
Liquor (21% or more)
  On premises 8.0% of retail price + 4.0% surtax
  Off premises 9.85% of retail price + 4.0%
  Mixed drinks 48 cents per liter

New Jersey
Beer 12 cents per gallon
Apple cider (3.2% to 7.0%) 12 cents per gallon
(7.0% or more) 70 cents per gallon
Wines, vermouth, sparkling wines 70 cents per gallon
Liquor $4.40 per gallon

New York
Beer 11 cents per gallon
Wine (still and sparkling) 18.93 cents per gallon
Cider 3.79 cents per gallon
Liquor (less than 2%)
  (2% to 24%) 67 cents per liter
  (more than 24%) $1.70 per liter

Pennsylvania
Beer $2.48 per barrel
Wine (all wine sales are through state stores; revenue is generated from various taxes, fees, and net profits)
Liquor 18% of price (including all applicable federal excise taxes and allowed mark-ups)
### Alcoholic Beverage Taxes

**Comparisons with Other States (As of 04/06)**

**Notes:** (1) Percentages refer to alcohol content, which is measured by volume. (2) Beer excludes malt beverages.

<table>
<thead>
<tr>
<th>State</th>
<th>Beer</th>
<th>Still wine (14% or less)</th>
<th>Still wine (over 14%)</th>
<th>Sparkling wine</th>
<th>Malt liquor (over 4.0%)</th>
<th>Distilled spirits</th>
<th>Mixed beverages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Texas</strong></td>
<td>$6.00 per barrel</td>
<td>20.4 cents per gallon</td>
<td>40.8 cents per gallon</td>
<td>51.6 cents per gallon</td>
<td>19.8 cents per gallon</td>
<td>2.40 per gallon</td>
<td>14% of gross receipts</td>
</tr>
<tr>
<td><strong>West Virginia</strong></td>
<td>$5.50 per barrel</td>
<td>26.406 cents per liter</td>
<td>5.0% of purchase price</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>