

Alcoholic Beverage Taxes – County

Taxpayer

Taxpayers include:

- Manufacturers, importers, and wholesale distributors of beer, wine, cider and mixed beverages of up to 21 percent alcohol by volume.
- The Ohio Department of Commerce's Division of Liquor Control, which is the state's sole purchaser and distributor of liquor containing more than 21 percent alcohol by volume.

Tax Base

The tax applies to beer, wine, cider, mixed beverages, and liquor.

Rates

In the past, the Ohio General Assembly permitted counties to levy alcoholic beverage taxes at the following rates:

- Beer: Up to 16 cents per gallon.
- Wine and mixed beverages: Up to 32 cents per gallon.
- Apple cider:¹ Up to 24 cents per gallon.
- Liquor: Up to \$3 per gallon.

Cuyahoga County currently levies each of these taxes at the maximum rate. No other county levies such taxes; in 2008, the General Assembly prohibited new local taxes on alcohol.

Major Exemptions

The tax does not apply to:

- Sacramental wine.
- Sales to the federal government.

Revenue

(In Millions)

Fiscal Year	Beer	Wine ²	Liquor	Admin. Fund	Total
2007	\$4.3	\$1.1	\$5.1	\$0.1	\$10.6
2008	4.7	1.1	5.1	0.1	11.0
2009	4.5	1.1	5.1	0.1	10.8
2010	4.1	1.2	5.1	0.1	10.5
2011	4.3	1.3	5.1	0.1	10.8

Disposition of Revenue

The county or development corporation is allocated 98 percent to operate or service the debt of a sports facility. The remaining 2 percent is allocated to the Department of Taxation for the administration of the tax.

Payment Dates

Return and payments must be received by the last day of the month following the reporting period.

Special Provisions/Credits

Taxpayers receive a 2.5 percent discount for timely payment of beer, wine and mixed beverage taxes.

Sections of Ohio Revised Code

Sections 307.696, 307.697, 4301.102, and 4301.421.

Responsibility for Administration

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

¹ Meaning, cider with an alcoholic content of more than 0.5 percent by volume.

² And mixed beverages.

History of Major Changes

1986	General Assembly authorizes county sports facility liquor taxes.
1990	General Assembly authorizes county sports facility taxes on beer, wine, and mixed beverages and amends law on county sports facility liquor taxes. Later, Cuyahoga County voters enact taxes on beer, wine, and liquor at the maximum rate. Each tax is scheduled to run through July 31, 2004.
1995	Legislature permits counties to enact alcoholic beverage taxes that do not take effect until a current levy expires. Cuyahoga County voters approve a ten-year extension of beer, wine and liquor taxes, which are now due to expire July 31, 2014.
2008	General Assembly enacts House Bill 562, which includes a provision that prohibits future local taxes on alcoholic beverages.

- Liquor (14 to 20 percent): 89 cents per gallon
- Liquor (more than 20 percent): \$2.68 per gallon

New York

New York City levies the following taxes:

- Beer: 12 cents per gallon
- Liquor: 26.4 cents per liter

Ohio

Cuyahoga County levies taxes on alcoholic beverages at the following rates:

- **Beer: 16 cents per gallon**
- **Wine and mixed beverages: 32 cents per gallon**
- **Apple cider (over 0.5 percent): 24 cents per gallon**
- **Liquor: \$3 per gallon**

Comparisons with Other States

(As of October, 2010)

California, Indiana, Kentucky, Massachusetts, Michigan, Pennsylvania, and Texas do not have local taxes on alcoholic beverages. **Florida, New Jersey, and West Virginia** allow some localities to levy a selective sales tax on alcoholic beverages. Other examples are below (percentages refer to alcohol content, which is measured by volume).

Illinois

Cook County levies taxes on alcoholic beverages at the following rates:

- Beer: 6 cents per gallon
- Alcoholic beverages (less than 14 percent): 16 cents per gallon
- Alcoholic beverages (14 to 20 percent): 30 cents per gallon
- Alcoholic beverages (more than 20 percent): \$2 per gallon

Chicago levies taxes on alcoholic beverages at the following rates, which are in addition to the Cook County taxes:

- Beer: 29 cents per gallon
- Liquor (less than 14 percent): 36 cents per gallon