
By: **Delegates Fulton and Marriott**

Introduced and read first time: February 10, 1999

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverage Tax - Substance Abuse Programs - Funding**

3 FOR the purpose of altering the rates of the alcoholic beverage tax; requiring the
4 Comptroller to distribute a certain portion of the alcoholic beverage tax
5 revenues to the Alcohol and Drug Abuse Administration to fund substance abuse
6 programs; and generally relating to the alcoholic beverage tax.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - General
9 Section 2-301 and 5-105(a) through (c)
10 Annotated Code of Maryland
11 (1997 Replacement Volume and 1998 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Tax - General**

15 2-301.

16 (a) From the alcoholic beverage tax revenue, the Comptroller shall distribute
17 the amount necessary to administer the alcoholic beverage tax laws to an
18 administrative cost account.

19 (b) [After] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,
20 AFTER making the distribution required under subsection (a) of this section, the
21 Comptroller shall distribute the remaining alcoholic beverage tax revenue to the
22 General Fund of the State.

23 (C) BEFORE MAKING THE DISTRIBUTION REQUIRED UNDER SUBSECTION (B)
24 OF THIS SECTION, THE COMPTROLLER SHALL DISTRIBUTE TO THE ALCOHOL AND
25 DRUG ABUSE ADMINISTRATION TO FUND SUBSTANCE ABUSE PROGRAMS 100% OF
26 THE ADDITIONAL ALCOHOLIC BEVERAGE TAX REVENUES RESULTING FROM THE
27 INCREASE IN THE ALCOHOLIC BEVERAGE TAX RATE UNDER CHAPTER __ OF THE
28 ACTS OF 1999 (H.B. __) (9LR2012), AS DETERMINED BY THE COMPTROLLER.

1 5-105.

2 (a) Except as provided in subsection (e) of this section, the alcoholic beverage
3 tax rate for distilled spirits is:

4 (1) [~~\$1.50~~] \$3.25 for each gallon or [~~39.63~~] 85.80 cents for each liter; and

5 (2) if distilled spirits contain a percentage of alcohol greater than 100
6 proof, an additional tax, for each 1 proof over 100 proof, of [~~1.5~~] 3.25 cents for each
7 gallon or [~~0.3963~~] 0.858 cents for each liter.

8 (b) Except as provided in subsection (e) of this section, the alcoholic beverage
9 tax rate for wine is [~~40~~] 73 cents for each gallon or [~~10.57~~] 19.27 cents for each liter.

10 (c) Except as provided in subsection (e) of this section, the alcoholic beverage
11 tax rate on beer is [~~9~~] 18 cents for each gallon or [~~2.3778~~] 4.752 cents for each liter.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 1999.