

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 261
Economic Matters

(Delegate Minnick, *et al.*)
Education, Health, and Environmental Affairs

Alcoholic Beverages - Hard Cider - Definition

This bill expands the definition of “hard cider” to include a beverage derived primarily from pears, or pear concentrate and water, containing at least one-half of 1% and less than 7% of alcohol by volume.

Fiscal Summary

State Effect: None. The bill codifies current practice.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: “Hard cider” is defined as a beverage derived primarily from apples, or apple concentrate and water, containing no other fruit product, and containing at least one-half of 1% and less than 7% of alcohol by volume.

Hard cider is taxed as beer. The sales tax on alcoholic beverages is 9%, and the alcoholic beverages tax on beer is \$0.09 per gallon. Revenues from these taxes are deposited into the general fund.

Background: According to the Comptroller’s Office, for several years, taxes have been submitted by manufacturers on what appears to be small quantities of pear cider as it is brought into the State. Thus, the bill merely codifies current practice.

The traditional term for a fermented pear beverage is perry.

Additional Information

Prior Introductions: None.

Cross File: SB 161 (Senators Conway and Reilly) - Education, Health, and Environmental Affairs.

Information Source(s): Comptroller's Office, Department of Legislative Services

Fiscal Note History: First Reader - February 10, 2014
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