



SPONSOR: Rep. J. Johnson & Sen. McDowell  
Reps. Brady, Keeley, Mulrooney, D. Short, Wilson

HOUSE OF REPRESENTATIVES  
149th GENERAL ASSEMBLY

HOUSE BILL NO. 444

AN ACT TO AMEND TITLE 4 OF THE DELAWARE CODE RELATED TO COLLECTION OF TAX ON ALCOHOLIC BEVERAGES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1           Section 1. Amend § 581, Title 4 of the Delaware Code by making deletions as shown by strike through and  
2     insertions as shown by underline as follows:

3           § 581 Rates of Tax.

4           (a) All persons required to be licensed under this title as an importer shall pay a tax upon the sale of, ~~upon the~~  
5     ~~purchase or receipt of~~ alcoholic beverages to customers in this State, pay a tax thereon at the rates set forth in subsection (d)  
6     of this section.

7           (f) For the month of August 2018, all persons required to be licensed under this title as an importer shall be  
8     entitled to a credit against the tax on alcoholic beverages imposed pursuant to subsection (a) in an amount equal to the tax  
9     previously paid on such importer's alcoholic liquor floor stock or inventory resting in the State on July 31, 2018, as  
10    reported in accordance with Commission rules. A person required to be licensed under this title as an importer shall not be  
11    entitled to the credit permitted pursuant to this subsection if such person fails to report such person's alcoholic liquor floor  
12    stock or inventory resting in the State on July 31, 2018 on a timely-filed report.

13          Section 2. Severability. If any provision of this Act or the application of this Act to any person or circumstance is  
14     held invalid, the provisions of this Act are severable if the invalidity does not affect the other provisions of this Act that can  
15     be given effect without the invalid provision or the application of this Act that can be given effect without the invalid  
16     application.

17          Section 3. Effective date. This Act shall be effective as of August 1, 2018.

SYNOPSIS

Section 1 of this Act allows those licensed as importers to pay tax upon the sale of alcoholic beverages to customers, instead of the tax being due when the alcoholic beverages come to rest in the State of Delaware. Section 2 of this Act provides that if any of the provisions are found to be unconstitutional, the remaining provisions will stand. Section 3 of this Act provides that the legislation will be effective as of August 1, 2018.