



SPONSOR: Rep. Schwartzkopf & Rep. Longhurst & Rep. Viola &  
Sen. McBride & Sen. Henry & Sen. Poore  
Rep. Mitchell; Sen. Bushweller

HOUSE OF REPRESENTATIVES  
149th GENERAL ASSEMBLY

HOUSE BILL NO. 241

AN ACT TO AMEND CHAPTER 5, TITLE 4 OF THE DELAWARE CODE RELATING TO TAXES ON ALCOHOLIC BEVERAGES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Three-fifths of all members elected to each house thereof concurring therein):

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

3 (d) The tax payable under this section shall be as follows:

4 (1) For each barrel of beer, ~~\$4.85~~ \$11.46.

5 (2) For each gallon of cider, ~~\$.46~~ \$0.38.

6 (3) For each gallon of wine, ~~\$.97~~ \$1.72.

7 (4) For each gallon of spirits containing 25 percent or less of ethyl alcohol by volume, ~~\$2.50~~ \$3.00.

8 (5) For each gallon of spirits containing more than 25 percent ethyl alcohol by volume, ~~\$3.75~~ \$4.50.

9 (6) For each gallon of alcohol per gallon of ethyl alcohol contained, ~~\$4.85~~ \$7.28, except that the tax of ~~\$4.85~~  
10 \$7.28 shall not apply to the purchase of alcohol by pharmacists, physicians, dentists, veterinarians, wholesale druggists  
11 or manufacturing plants where the alcohol is used in scientific work, for the manufacture of pharmaceutical products,  
12 or for use in the manufacture or compounding of preparations unfit for beverage purposes.

13 Section 2. This Act shall apply to all alcoholic liquor purchased and received from any manufacturer or importer  
14 on or after September 1, 2017. The Act shall also apply to all alcoholic liquor floor stock or inventories purchased and  
15 received by licensed Delaware importers which are resting in the State on September 1, 2017, notwithstanding that said  
16 alcoholic liquor was purchased from any manufacturer or importer prior to September 1, 2017. The tax on such floor stock  
17 or inventories shall be an amount equal to the difference between the amount of tax already paid on such floor stock or  
18 inventories and the increased amount of tax specified by this Act. Reporting of the tax on such floor stock or inventories  
19 shall be accomplished in accordance with Commission rules; provided, however, that payment of the tax on the floor stock  
20 or inventories shall be made on or before April 1, 2018. The Commission shall be authorized to promulgate regulations  
21 having the force and effect of law to provide for the implementation and enforcement of the provisions of this Act.

### SYNOPSIS

This Act increases the State's alcoholic beverage tax rates. The rate for beer increases by 2¢ per 12 ounce can. The rate for wine increases by approximately 3¢ per 5 ounce serving. The rate for spirits containing more than 25% ethyl alcohol by volume increases by 15¢ per 750 ml bottle.