

SENATE LAW AND PUBLIC SAFETY COMMITTEE

STATEMENT TO

SENATE, No. 3452

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 20, 2021

The Senate Law and Public Safety Committee reports favorably and with committee amendments Senate Bill No. 3452.

As amended and reported by the committee, this bill reduces the alcoholic beverage tax rate on cider and low-percentage alcohol by volume (ABV) liquors so that they match the tax rate for beer.

Under current law governing the excise tax on alcoholic beverages, cider is taxed at \$0.15 a gallon and beer is taxed at \$0.12 a gallon. This bill reduces the rate on cider to \$0.12 a gallon to match the tax rate for beer.

Low-percentage ABV liquors, such as canned cocktails, are currently taxed at the rate for liquor, which is \$5.50 a gallon. Under the amended bill, liquors with lower than 9.9 percent ABV are to be taxed at \$0.12 a gallon to match the tax rate for beer. As introduced, liquors with lower than eight percent ABV were to be taxed at \$0.12 a gallon.

COMMITTEE AMENDMENTS

The committee amended the bill to expand the low-percentage ABV liquors which are to be taxed at \$0.12 a gallon to those liquors with an ABV lower than 9.9 percent, rather than lower than eight percent.