

AMENDMENTS TO HOUSE BILL NO. 1154

Sponsor: SENATOR BROWNE

Printer's No. 1824

1 Amend Bill, page 2, line 26, by inserting after "SAFEKEEPING"
2 ; adding provisions relating to fees and taxation of ready-to-
3 drink cocktails for off-premises consumption;

4 Amend Bill, page 46, by inserting between lines 28 and 29

5 Section 15. Article IV of the act is amended by adding a
6 subarticle to read:

7 (C.2) Fees and Taxation of Ready-to-drink Cocktails for Off-
8 premises Consumption.

9 Section 489. Fees for Licensees Importing, Distributing and
10 Selling Ready-to-drink Cocktails for Off-premises Consumption.--

11 (a) In addition to any other fee charged, an importer licensee
12 and importing distributor licensee shall pay an initial
13 application fee and an annual renewal fee to sell ready-to-drink
14 cocktails for off-premises consumption as follows:

15 (1) An initial application fee of five thousand dollars
16 (\$5,000).

17 (2) An annual renewal fee of three per centum (3%) of the
18 licensee's gross sales of ready-to-drink cocktails for off-
19 premises consumption.

20 (b) In addition to any other fee charged, a licensee with an
21 interior connection to a convenience store, grocery store or
22 department store, as those terms are defined in section 406(j)
23 (7), shall pay an initial application fee and an annual renewal
24 fee to sell ready-to-drink cocktails for off-premises
25 consumption as follows:

26 (1) An initial application fee of two thousand five hundred
27 dollars (\$2,500).

28 (2) An annual renewal fee of two per centum (2%) of the
29 store's gross sales of ready-to-drink cocktails for off-premises
30 consumption.

31 (c) In addition to any other fee charged, a restaurant
32 licensee, hotel licensee and distributor licensee who is not
33 subject to subsection (b) shall pay an initial application fee
34 and an annual renewal fee to sell ready-to-drink cocktails for
35 off-premises consumption as follows:

36 (1) An initial application fee of one thousand dollars
37 (\$1,000).

1 (2) An annual renewal fee of two per centum (2%) of the
2 licensee's gross sales of ready-to-drink cocktails for off-
3 premises consumption.

4 (d) Notwithstanding the provisions of section 802, all fees
5 paid to the board under this section shall be paid into the
6 State Stores Fund.

7 Section 489.1. Taxation of Ready-to-drink Cocktails for Off-
8 premises Consumption.--(a) Except for sales to the board or
9 from the board, the following taxes shall be imposed on each
10 sale in this Commonwealth of ready-to-drink cocktails for off-
11 premises consumption:

12 (1) A tax in lieu of the emergency State tax imposed under
13 the act of June 9, 1936 (1st Sp. Sess., P.L.13, No.4), entitled
14 "An act imposing an emergency State tax on liquor, as herein
15 defined, sold by the Pennsylvania Liquor Control Board;
16 providing for the collection and payment of such tax; and
17 imposing duties upon the Department of Revenue and the
18 Pennsylvania Liquor Control Board" shall be imposed and assessed
19 at a rate of eighteen per centum (18%) of the net price of
20 ready-to-drink cocktails sold for off-premises consumption and
21 is subject to the following:

22 (i) The tax imposed under this paragraph shall be collected
23 from the purchaser at the time of sale and shall be paid over to
24 the Commonwealth as provided in this subsection.

25 (ii) The tax imposed under this paragraph shall be included
26 in the purchase price of all ready-to-drink cocktails sold for
27 off-premises consumption and may not be separately stated from
28 the purchase price.

29 (iii) The tax imposed under this paragraph shall be paid to
30 and received by the Department of Revenue and, along with
31 interest and penalties, shall be deposited into the General
32 Fund.

33 (2) The tax under Article II of the act of March 4, 1971
34 (P.L.6, No.2), known as the "Tax Reform Code of 1971," which
35 shall be imposed on the purchase price of ready-to-drink
36 cocktails sold for off-premises consumption.

37 (b) A second or subsequent seller of ready-to-drink-
38 cocktails for off-premises consumption may, when filing the
39 seller's required returns under Article II of the "Tax Reform
40 Code of 1971" and this section, request a credit of taxes paid
41 in accordance with subsection (a) for ready-to-drink cocktails
42 for off-premises consumption for which taxes were remitted to
43 the department under subsection (a). The Department of Revenue
44 may promulgate rules or regulations and prescribe forms as may
45 be necessary to implement the provisions of this subsection.

46 (c) The provisions of Part VI of Article II of the "Tax
47 Reform Code of 1971" shall apply to the taxes imposed under
48 subsection (a) (1).

49 (d) The Department of Revenue shall share information with
50 the board detailing the sales and taxes paid by sellers of
51 ready-to-drink cocktails for off-premises consumption under this

1 section.

2 (e) The provisions of this section shall not apply to the
3 sale of ready-to-drink cocktails for off-premises consumption by
4 a limited distillery or distillery.

5 (f) A licensee that sells a ready-to-drink cocktail for off-
6 premises consumption without collecting the tax or allows a
7 person to leave the premises with a ready-to-drink cocktail for
8 off-premises consumption that was sold or provided without the
9 imposition of the tax shall be subject to citation under section
10 471 or nonrenewal under section 470.

11 Amend Bill, page 46, line 29, by striking out "15" and
12 inserting

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14 Amend Bill, page 49, line 12, by striking out "16" and
15 inserting

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