

111TH CONGRESS
1ST SESSION

H. R. 4278

To amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 10, 2009

Mr. NEAL of Massachusetts (for himself, Mr. BRADY of Texas, Mr. BLUMENAUER, Mr. HERGER, Mr. DEFazio, Mr. REHBERG, Mr. LYNCH, and Mr. DENT) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REDUCED RATE OF EXCISE TAX ON BEER PRO-**
4 **DUCED DOMESTICALLY BY CERTAIN SMALL**
5 **PRODUCERS.**

6 (a) IN GENERAL.—Paragraph (2) of section 5051(a)
7 of the Internal Revenue Code of 1986 is amended—

8 (1) by redesignating subparagraphs (B) and
9 (C) as subparagraphs (C) and (D), respectively, and

1 (2) by striking subparagraph (A) and inserting
2 the following new subparagraphs:

3 “(A) IN GENERAL.—In the case of a brew-
4 er who produces not more than 6,000,000 bar-
5 rels of beer during the calendar year, the per
6 barrel rate of tax imposed by this section shall
7 be—

8 “(i) \$3.50 on the first 60,000 quali-
9 fied barrels of production, and

10 “(ii) \$16 on the first 1,940,000 quali-
11 fied barrels of production to which clause
12 (i) does not apply.

13 “(B) QUALIFIED BARRELS OF PRODUC-
14 TION.—For purposes of this paragraph, the
15 term ‘qualified barrels of production’ means,
16 with respect to any brewer for any calendar
17 year, the number of barrels of beer which are
18 removed in such year for consumption or sale
19 and which have been brewed or produced by
20 such brewer at qualified breweries in the United
21 States.”.

22 (b) CONFORMING AMENDMENTS.—

23 (1) Subparagraph (C) of section 5051(a)(2) of
24 such Code, as redesignated by this section, is
25 amended—

1 (A) by striking “2,000,000 barrel quan-
2 tity” and inserting “6,000,000 barrel quantity”,
3 and

4 (B) by striking “60,000 barrel quantity”
5 and inserting “60,000 and 1,940,000 barrel
6 quantities”.

7 (2) Subparagraph (D) of such section, as so re-
8 designated, is amended by striking “2,000,000 bar-
9 rels” and inserting “6,000,000 barrels”.

10 (c) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to beer removed during calendar
12 years beginning after the date of the enactment of this
13 Act.

○