

A Reasonable Compromise on HB 2461

Broad Public Support for Increased Beer Taxes to Fund Public Safety and Drug and Alcohol Treatment

According to a February 2009 Moore Information poll, over 60 percent of Oregonians favor increasing the beer and wine tax in order to ensure adequate funding for substance abuse treatment and prevention programs.

This tax is supported in all regions of the state among Republicans, Democrats and Independents alike.

A Reasonable Compromise that protects Oregon Craft Brewers

From the current tax of less than 1 cent per serving, the amendment:

- proposes a 1.5 cent tax per 12 oz serving for beer from small breweries
 - All of Oregon's breweries qualify as small breweries (under 2,000,000 barrels produced annually).
- proposes a 7 cent tax per 12 oz serving for beer from big, out-of-state breweries like ABInBev (formerly Anheuser Busch), MillerCoors, and Heineken International.
- is fully vetted for Constitutional compliance by Legislative Counsel.

Since there's no state sales tax on beer in Oregon, **Oregon consumers will still pay lower state taxes on beer than residents of 40 other states.**

For example, Minnesota puts a 2 cent state excise tax on a \$4.00 pint of Widmer, and adds another 32 cents in state sales taxes. On that same pint, our proposal calls for just 2 cents in state taxes - or 9 cents if it's a pint of Amstel Light.

Provides \$85 million of dedicated funding for public safety and alcohol and drug treatment

The proposed amendment would provide dedicated funding for the Oregon State Police and prevention, treatment, and recovery programs.

Investing in substance abuse treatment and recovery works: for every dollar we spend on treatment in Oregon, we save \$5.60 in other costs (such as incarceration and health care).

Helps avoid devastating public safety budget cuts by keeping our state troopers on the road.

A Reasonable Compromise on HB 2461 ***Myths and Facts***

Myth: Due to distributor and retailer markups, consumers will pay 10 times the increase in the beer tax

Enormous, exponential price increases make for scary soundbites, but such claims plainly ignore basic economics and business principles - as well as past experience.

A far more reasonable prediction: beer prices will increase by the amount of the tax, and probably by a little bit more - depending on what Oregonians are willing to pay for their beer.

Real World Evidence Shows that a Similar Beer Tax Increase in Alaska Did Not Result in Astronomical Price Increases

- A 2005 study by economist Donald Kenkel of Cornell University and the National Bureau of Economic Research concluded that Alaska's 7 cent beer tax increase on a 12 oz bottle increased the price of beer by about 14 cents on average - far from the astronomical 10-fold price increases suggested by opponents of HB 2461.
 - Source: http://www.aeaweb.org/annual_mtg_papers/2005/0107_1430_0703.pdf

Will distributors and retailers really stick to a fixed percentage margin to set arbitrarily, exponentially inflated prices, even if doing so yielded them lower profits?

- If distributors and retailers arbitrarily chose a percentage markup that astronomically increased the cost of beer far beyond the actual cost of the tax, then their sales volume would plummet.
- Exponentially inflating prices and selling less beer would make their real, take-to-the-bank profits take a major hit, which just doesn't make business sense. Alaska's experience suggests that they'll do exactly the opposite.

Marking Up an Excise Tax is Not Inevitable or Required by Law

- Doing so would be a business decision made by distributors and retailers.
- Gas excise taxes, for example, are not marked up through the distribution system; the supplier, distributor, and retailer simply pass along the cost of the increased excise tax.

Myth: This proposal increases the tax on beer by an outrageous amount

The amendment calls for a very low rate of beer taxes for small breweries - only 1.5 cents per 12 oz serving, a fraction of a cent increase above our current beer tax of less than a cent.

- All Oregon brewers are eligible for this low rate - among the lowest in the nation - which helps them because many sell a large share of their beer in-state.

Since there's no state sales tax on beer sold in Oregon, Oregonian consumers will still pay lower overall state taxes on beer than do citizens of more than 40 other states.

- For example, Minnesota puts a 2 cent state excise tax on a \$4.00 pint of Widmer, and adds another 32 cents in state sales taxes. On that same pint, our proposal calls for just 2 cents in state taxes - or 9 cents if it's a pint of Amstel Light.

Only beer from the big out-of-state and foreign breweries - ABInBev (formerly Anheuser Busch), MillerCoors, Heineken International, and others - will be subject to the higher, 7 cents per 12 oz serving rate.

- A large portion of tax increase simply makes up for 32 years of lost value on a 1977 excise tax dollar. Had the rate simply kept pace with inflation, it would be 2.75 cents today.
- Put another way, large breweries like Budweiser and Coors, who have been selling beer in Oregon since 1977, have seen their state excise tax burden remain unchanged while inflation has pushed all other prices up by 252%.

Myth: This proposal is a tax only on Oregon brewers, or mostly on Oregon brewers. It will make Oregon beer less competitive in other states.

All beer sold in Oregon is subject to the beer tax, and more than 80% of beer sold in the state comes from big, out-of-state breweries.

- Distributors employed by the big out-of-state brewers are, and will be, responsible for actually submitting the vast majority of excise tax payments to the state.

The tax does not apply to Oregon beer sold out of the state.

Myth: This proposal is unfair because it affects working people more than the wealthy

Alcoholism and drug addiction disproportionately affect working people, who don't have access to expensive private treatment and rehab programs.

Higher income Oregonians consume more beer (and pay more beer taxes) than lower income Oregonians.

- More than 70% of Oregonians making over \$50,000 per year are drinkers; less than 48% of Oregonians making less than \$25,000 are drinkers
- Almost 52% of alcohol taxes are paid by Oregonians making over \$50,000 per year
 - Source: Department of Human Services, Addictions and Mental Health Division, 2009

Americans' spending on alcohol is very small and proportional to family income.

- Americans of all income levels only spend about 1% of our annual earnings on alcohol
 - Source: U.S. Bureau of Labor Statistics, Consumer Expenditures Survey, 2006

Myth: Setting a lower state excise tax rate for small brewery beer is an unconstitutional violation of the Commerce Clause

Legislative Counsel issued an opinion on May 5th concluding that a lower rate of state excise taxes for small breweries is constitutional under the Commerce Clause.

- Since a lower tax rate would equally benefit small in-state and small out-of-state breweries, a lower rate for small breweries would not have the purpose or effect of favoring in-state products.

Similar reduced rates of beer excise taxation for small breweries are on the books in Alaska, Washington, Montana, New Mexico, Texas, and New York.

The bottomless debate over the beer tax

The beer industry should help craft a modest increase to pay for alcohol treatment, and take this off the table

EDITORIAL

There ought to be room for a compromise. The \$2.60-per-barrel tax hasn't been raised in 32 years, and is among the lowest in the country. The tax could be raised while still remaining below the threshold of price sensitivity. Brewers, distributors and retailers could be expected to pass the tax along to their customers without adding to it. The smallest-volume breweries could be taxed at a lower level, or exempted altogether.

The state could make a commitment to use the revenue for purposes related to the tax — that is, for treatment of problems arising from the abuse of alcohol.

GUEST VIEWPOINT

If you ask someone who works in the field, they'll tell you that substance abuse and addiction programs already are woefully underfunded. These front-line workers know all too well about the waiting lists for individuals trying to get into programs, and often have their hearts broken when they see people turned away from services with no place else to go.

You don't have to work in the substance abuse profession to know the faces of addiction. They are family members, co-workers, friends and neighbors. They are people whose untreated disease has significant social and economic consequences — not only for themselves, but for all of us.

Ken Allen is executive director of the Oregon section of the American Federation of State, County and Municipal Employees. Gina Nikkel is executive director of the Association of Oregon Community Mental Health Programs.

ALCOHOL-AND-DRUG-RELATED CRIME
Argument against beer tax

as frothy as a sloppy pour

We in the Oregon beer industry have it easy. We sell a product that, our best intentions aside, many Oregonians abuse at an annual cost of more than \$3 billion for alcohol-and-drug-related crime, lost productivity and health expenses.

And many in the beer industry have no intention of paying for that.

Mom-and-pop beer licenses such as my own Krakow Cafe & Pub pay through distributors the same Oregon micro tax as Anheuser-Busch and Coors. Barely three-fourths of a penny in state taxes on a 12-ounce glass.

That's the third lowest beer tax in the country. Moreover, that absurdly low three-fourths of a penny figure has been diluted by three decades of inflation to the point of travesty.



MARK KIRCHMEIER

IN MY OPINION



STEVE DUIN
COMMENTARY

Let's be honest: Oregon doesn't have a beer tax. Eight-tenths of a cent per bottle of suds is so low as to be meaningless, especially when alcohol and drug abuse is taking a devastating toll on the state economy.

EAST OREGONIAN

OUR VIEW Beer tax an unfortunate necessity

But one fact remains. The state is still staring at a \$3 billion budget hole to fill next year, and the Legislature will need all the help it can get to make up for it. And perhaps it's a strong assumption, but the move is all but guaranteed revenue. Oregonians love their beer, and it's likely they'll continue to buy it with or without the extra tax. - Eric Florip



MOORE INFORMATION

OPINION RESEARCH • STRATEGIC ANALYSIS

OREGON VOTERS (N=500)
February 18-19, 2009

Next, how concerned are you about substance abuse among youth and adults, very concerned, fairly concerned, not too concerned, or not concerned at all? By substance abuse, I mean abuse of alcohol and drugs.

| | |
|---|------------|
| very concerned | 44% |
| fairly concerned | 36% |
| Total very/fairly concerned | 80% |
| Total not too/not concerned at all | 19% |
| not too concerned | 16% |
| not concerned at all | 3% |
| don't know | 1% |

If it came down to a choice of cutting funding for substance abuse treatment and prevention programs or increasing beer and wine taxes to ensure those programs are adequately funded, which would you prefer?

| | |
|--------------------------------|-----|
| cutting funding | 29% |
| don't know | 7% |
| increasing beer and wine taxes | 64% |

Would you favor or oppose increasing the tax on beer and wine by ten cents glass in order to ensure adequate funding is available for substance abuse treatment and prevention programs? IF FAVOR/OPPOSE: Do you feel strongly about that?

| | |
|---------------------|------------|
| strongly favor | 38% |
| favor | 26% |
| Total favor | 64% |
| don't know | 3% |
| Total oppose | 33% |
| oppose | 11% |
| strongly oppose | 22% |

In political issues, do you consider yourself to be Conservative, Moderate, or Liberal? IF CONSERVATIVE: Are you very Conservative or somewhat conservative?

| | |
|---------------------------|------------|
| very Conservative | 19% |
| somewhat Conservative | 20% |
| Total Conservative | 40% |
| Moderate | 30% |
| Liberal | 25% |
| don't know | 5% |

Party registration (FROM LIST)

| | |
|-------------------|-----|
| Republican | 34% |
| Democrat | 43% |
| Independent/other | 23% |

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| Neighboring State |
| Proposed Oregon Excise Tax Rates |

These figures include both sales taxes and excise taxes, and reflects the total revenue collected by the state on the sale of that pint of beer.

When sales taxes are taken into account, Oregonians pay the lowest amount of state taxes on beer of any state in the nation.

Even with a substantially higher state beer excise tax, Oregon would still effectively tax beer at a lower rate than almost every other state

State Excise Taxes and Sales Taxes Applied to a \$4.00 Pint, Sorted from Lowest to Highest

| State | Excise Tax Rate (\$ per gallon) | Excise Tax Rate (\$ per pint) | Sales Taxes Applied? | Sales Tax Rate | Other Taxes (not factored into our calculations) | Sales Tax Applied to a \$4 pint | Excise Tax plus Sales Tax applied to a \$4 pint |
|-----------------------|---------------------------------|-------------------------------|--------------------------|----------------|--|---------------------------------|---|
| Oregon | \$ 0.080 | \$ 0.010 | No | 0% | | \$ - | \$ 0.01 |
| Montana | \$ 0.140 | \$ 0.018 | No | 0% | | \$ - | \$ 0.02 |
| OR @ \$.0015 /serving | \$ 0.160 | \$ 0.020 | No | 0% | | \$ - | \$ 0.02 |
| Delaware | \$ 0.160 | \$ 0.020 | No | 0% | | \$ - | \$ 0.02 |
| New Hampshire | \$ 0.300 | \$ 0.038 | No | 0% | | \$ - | \$ 0.04 |
| North Dakota | \$ 0.530 | \$ 0.066 | No | 0% | 7% sales tax, bulk beer 0.08/gallon | \$ - | \$ 0.07 |
| OR @ \$.05/serving | \$ 0.532 | \$ 0.067 | No | 0% | | \$ - | \$ 0.07 |
| OR @ \$.07/serving | \$ 0.745 | \$ 0.093 | No | 0% | | \$ - | \$ 0.09 |
| Colorado | \$ 0.080 | \$ 0.010 | Yes | 3% | | \$ 0.12 | \$ 0.13 |
| OR @ \$.10/serving | \$ 1.065 | \$ 0.133 | No | 0% | | \$ - | \$ 0.13 |
| Alaska | \$ 1.070 | \$ 0.134 | No | 0% | | \$ - | \$ 0.13 |
| Wyoming | \$ 0.020 | \$ 0.003 | Yes | 4% | | \$ 0.16 | \$ 0.16 |
| New York | \$ 0.110 | \$ 0.014 | Yes | 4% | \$0.12/gallon tax in New York City | \$ 0.16 | \$ 0.17 |
| Missouri | \$ 0.060 | \$ 0.008 | Yes | 4% | | \$ 0.17 | \$ 0.18 |
| South Dakota | \$ 0.270 | \$ 0.034 | Yes | 4% | | \$ 0.16 | \$ 0.19 |
| OR @ \$.15/serving | \$ 1.597 | \$ 0.200 | No | 0% | | \$ - | \$ 0.20 |
| Georgia | \$ 0.320 | \$ 0.040 | Yes | 4% | 0.53/gallon local tax | \$ 0.16 | \$ 0.20 |
| Louisiana | \$ 0.320 | \$ 0.040 | Yes | 4% | 0.048/gallon local tax | \$ 0.16 | \$ 0.20 |
| Wisconsin | \$ 0.060 | \$ 0.008 | Yes | 5% | | \$ 0.20 | \$ 0.21 |
| Massachusetts | \$ 0.110 | \$ 0.014 | Yes (5% on premise only) | 5% | 0.57% on private club sales | \$ 0.20 | \$ 0.21 |
| Alabama | \$ 0.530 | \$ 0.066 | Yes | 4% | \$0.52/gallon | \$ 0.16 | \$ 0.23 |
| Oklahoma | \$ 0.400 | \$ 0.050 | Yes | 5% | under 3.2% - 0.36/gallon; 13.5% on premise | \$ 0.18 | \$ 0.23 |
| Virginia | \$ 0.260 | \$ 0.033 | Yes | 5% | | \$ 0.20 | \$ 0.23 |
| North Carolina | \$ 0.530 | \$ 0.066 | Yes | 4% | | \$ 0.17 | \$ 0.24 |
| Utah | \$ 0.410 | \$ 0.051 | Yes | 5% | over 3.2% sold through state store | \$ 0.19 | \$ 0.24 |
| Ohio | \$ 0.180 | \$ 0.023 | Yes | 6% | | \$ 0.22 | \$ 0.24 |
| Maine | \$ 0.350 | \$ 0.044 | Yes | 5% | additional 5% on premise tax | \$ 0.20 | \$ 0.24 |
| Arizona | \$ 0.160 | \$ 0.020 | Yes | 6% | | \$ 0.22 | \$ 0.24 |
| Kentucky | \$ 0.080 | \$ 0.010 | Yes (6% on premise only) | 6% | 11% Wholesale tax | \$ 0.24 | \$ 0.25 |
| Pennsylvania | \$ 0.080 | \$ 0.010 | Yes | 6% | | \$ 0.24 | \$ 0.25 |
| Maryland | \$ 0.090 | \$ 0.011 | Yes | 6% | 0.2333/gallon in Garrett Coutny | \$ 0.24 | \$ 0.25 |
| New Mexico | \$ 0.410 | \$ 0.051 | Yes | 5% | | \$ 0.20 | \$ 0.25 |
| Indiana | \$ 0.115 | \$ 0.014 | Yes | 6% | | \$ 0.24 | \$ 0.25 |
| Nebraska | \$ 0.310 | \$ 0.039 | Yes | 6% | | \$ 0.22 | \$ 0.28 |
| Idaho | \$ 0.150 | \$ 0.019 | Yes | 6% | over 4% .045/gallon | \$ 0.24 | \$ 0.26 |
| West Virginia | \$ 0.180 | \$ 0.023 | Yes | 6% | | \$ 0.24 | \$ 0.26 |
| Iowa | \$ 0.190 | \$ 0.024 | Yes | 6% | | \$ 0.24 | \$ 0.26 |
| Connecticut | \$ 0.190 | \$ 0.024 | Yes | 6% | | \$ 0.24 | \$ 0.26 |
| Michigan | \$ 0.200 | \$ 0.025 | Yes | 6% | | \$ 0.24 | \$ 0.27 |
| Arkansas | \$ 0.230 | \$ 0.029 | Yes | 6% | under 3.2% - 0.16/gallon; 0.008/gallon and 3% Off -10% on-premises | \$ 0.24 | \$ 0.27 |
| Vermont | \$ 0.265 | \$ 0.033 | Yes | 6% | 6% to 8% alcohol - 0.55; 10% on premise sales tax | \$ 0.24 | \$ 0.27 |
| Illinois | \$ 0.185 | \$ 0.023 | Yes | 6% | 0.16/gallon in Chicago and 0.06/gallon in Cook County | \$ 0.25 | \$ 0.27 |
| Texas | \$ 0.190 | \$ 0.024 | Yes | 6% | over 4% - 0.196/gallon, 14% on premise and 0.05/drink on airline sales | \$ 0.25 | \$ 0.27 |
| Hawaii | \$ 0.930 | \$ 0.116 | Yes | 4% | 0.54/gallon draft beer | \$ 0.16 | \$ 0.28 |
| Nevada | \$ 0.160 | \$ 0.020 | Yes | 7% | | \$ 0.26 | \$ 0.28 |
| Rhode Island | \$ 0.100 | \$ 0.013 | Yes | 7% | 0.04/case wholesale tax | \$ 0.28 | \$ 0.29 |
| Washington | \$ 0.261 | \$ 0.033 | Yes | 7% | | \$ 0.26 | \$ 0.29 |
| New Jersey | \$ 0.120 | \$ 0.015 | Yes | 7% | | \$ 0.28 | \$ 0.30 |
| Tennessee | \$ 0.140 | \$ 0.018 | Yes | 7% | 17% Wholesale tax | \$ 0.28 | \$ 0.30 |
| Florida | \$ 0.480 | \$ 0.060 | Yes | 6% | 2.67cent/12oz on-premise retail tax | \$ 0.24 | \$ 0.30 |
| California | \$ 0.200 | \$ 0.025 | Yes | 7% | | \$ 0.29 | \$ 0.32 |
| Dist. Of Columb. | \$ 0.090 | \$ 0.011 | Yes | 8% | 8% off and 10% on premise sales tax | \$ 0.32 | \$ 0.33 |
| Mississippi | \$ 0.427 | \$ 0.053 | Yes | 7% | | \$ 0.28 | \$ 0.33 |
| South Carolina | \$ 0.770 | \$ 0.096 | Yes | 6% | | \$ 0.24 | \$ 0.34 |
| Kansas | \$ 0.180 | \$ 0.023 | Yes | 8% | over 3.2% - (8% off and 10% on premise), under 3.2% - 4.25% sales tax | \$ 0.32 | \$ 0.34 |
| Minnesota | \$ 0.150 | \$ 0.019 | Yes (9% on alcohol) | 9% | under 3.2% - 0.077%/gallon, 9% sales tax on alcohol (6.5%+2.5%) | \$ 0.36 | \$ 0.38 |
| Median | \$ 0.188 | \$ 0.024 | | | | | |

Source of Tax Rates: Center for Science in the Public Interest
http://cspinet.org/new/pdf/beer_tax_rankings.pdf

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|----------------------------------|
| Neighboring State |
| Proposed Oregon Excise Tax Rates |

Remember that excise tax rates don't include sales taxes: even relatively high state excise taxes don't translate to a high overall state tax on beer.

State Beer Excise Tax Rates Sorted from Lowest to Highest

Oregon has one of the lowest beer excise taxes in the nation - and no sales tax.

The proposed reduced rate of state excise tax for small brewers would put Oregon below the nation's median state excise tax

| State | Excise Tax Rate (\$ per gallon) | Excise Tax Rate (\$ per pint) | Sales Taxes Applied? | Sales Tax Rate | Other Taxes (not factored into our calculations) | Sales Tax Applied to a \$4 pint | Excise Tax plus Sales Tax applied to a \$4 pint |
|------------------------|---------------------------------|-------------------------------|--------------------------|----------------|--|---------------------------------|---|
| Wyoming | \$ 0.020 | \$ 0.003 | Yes | 4.00% | | \$ 0.16 | \$ 0.16 |
| Missouri | \$ 0.060 | \$ 0.008 | Yes | 4.25% | | \$ 0.17 | \$ 0.18 |
| Wisconsin | \$ 0.060 | \$ 0.008 | Yes | 5.00% | | \$ 0.20 | \$ 0.21 |
| Oregon | \$ 0.080 | \$ 0.010 | No | 0.00% | | \$ - | \$ 0.01 |
| Colorado | \$ 0.080 | \$ 0.010 | Yes | 2.90% | | \$ 0.12 | \$ 0.13 |
| Kentucky | \$ 0.080 | \$ 0.010 | Yes (6%) on premise only | 6.00% | 11% Wholesale tax | \$ 0.24 | \$ 0.25 |
| Pennsylvania | \$ 0.080 | \$ 0.010 | Yes | 6.00% | | \$ 0.24 | \$ 0.25 |
| Dist. Of Columb. | \$ 0.090 | \$ 0.011 | Yes | 8.00% | 8% off and 10% on premise sales tax | \$ 0.32 | \$ 0.33 |
| Maryland | \$ 0.090 | \$ 0.011 | Yes | 6.00% | 0.2333/gallon in Garrett Country | \$ 0.24 | \$ 0.25 |
| Rhode Island | \$ 0.100 | \$ 0.013 | Yes | 7.00% | 0.04/case wholesale tax | \$ 0.28 | \$ 0.29 |
| New York | \$ 0.110 | \$ 0.014 | Yes | 4.00% | \$0.12/gallon tax in New York City | \$ 0.16 | \$ 0.17 |
| Massachussetts | \$ 0.110 | \$ 0.014 | Yes (5%) on premise only | 5.00% | 0.57% on private club sales | \$ 0.20 | \$ 0.21 |
| Indiana | \$ 0.115 | \$ 0.014 | Yes | 6.00% | | \$ 0.24 | \$ 0.25 |
| New Jersey | \$ 0.120 | \$ 0.015 | Yes | 7.00% | | \$ 0.28 | \$ 0.30 |
| Montana | \$ 0.140 | \$ 0.018 | No | 0.00% | | \$ - | \$ 0.02 |
| Tennessee | \$ 0.140 | \$ 0.018 | Yes | 7.00% | 17% Wholesale tax | \$ 0.28 | \$ 0.30 |
| Idaho | \$ 0.150 | \$ 0.019 | Yes | 6.00% | over 4% .045/gallon | \$ 0.24 | \$ 0.26 |
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| OR @ \$.0015 /serving | \$ 0.160 | \$ 0.020 | No | 0.00% | | \$ - | \$ 0.02 |
| Delaware | \$ 0.160 | \$ 0.020 | No | 0.00% | | \$ - | \$ 0.02 |
| Arizona | \$ 0.160 | \$ 0.020 | Yes | 5.60% | | \$ 0.22 | \$ 0.24 |
| Nevada | \$ 0.160 | \$ 0.020 | Yes | 6.50% | | \$ 0.26 | \$ 0.28 |
| Ohio | \$ 0.180 | \$ 0.023 | Yes | 5.50% | | \$ 0.22 | \$ 0.24 |
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| Median | \$ 0.188 | \$ 0.024 | | | | | |
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| Connecticut | \$ 0.190 | \$ 0.024 | Yes | 6.00% | | \$ 0.24 | \$ 0.26 |
| Texas | \$ 0.190 | \$ 0.024 | Yes | 6.25% | over 4% - 0.196/gallon, 14% on premise and 0.05/drink on airline sales | \$ 0.25 | \$ 0.27 |
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| South Dakota | \$ 0.270 | \$ 0.034 | Yes | 4.00% | | \$ 0.16 | \$ 0.19 |
| New Hampshire | \$ 0.300 | \$ 0.038 | No | 0.00% | | \$ - | \$ 0.04 |
| Nebraska | \$ 0.310 | \$ 0.039 | Yes | 5.50% | | \$ 0.22 | \$ 0.26 |
| Georgia | \$ 0.320 | \$ 0.040 | Yes | 4.00% | 0.53/gallon local tax | \$ 0.16 | \$ 0.20 |
| Louisiana | \$ 0.320 | \$ 0.040 | Yes | 4.00% | 0.048/gallon local tax | \$ 0.16 | \$ 0.20 |
| Maine | \$ 0.350 | \$ 0.044 | Yes | 5.00% | additional 5% on premise tax | \$ 0.20 | \$ 0.24 |
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| Utah | \$ 0.410 | \$ 0.051 | Yes | 4.65% | over 3.2% sold through state store | \$ 0.19 | \$ 0.24 |
| New Mexico | \$ 0.410 | \$ 0.051 | Yes | 5.00% | | \$ 0.20 | \$ 0.25 |
| Mississippi | \$ 0.427 | \$ 0.053 | Yes | 7.00% | | \$ 0.28 | \$ 0.33 |
| Florida | \$ 0.480 | \$ 0.060 | Yes | 6.00% | 2.67cent/12oz on-premise retail tax | \$ 0.24 | \$ 0.30 |
| North Dakota | \$ 0.530 | \$ 0.066 | No | 0.00% | 7% sales tax, bulk beer 0.08/gallon | \$ - | \$ 0.07 |
| Alabama | \$ 0.530 | \$ 0.066 | Yes | 4.00% | \$0.52/gallon | \$ 0.16 | \$ 0.23 |
| North Carolina | \$ 0.530 | \$ 0.066 | Yes | 4.25% | | \$ 0.17 | \$ 0.24 |
| OR @ \$.05/serving | \$ 0.532 | \$ 0.067 | No | 0.00% | | \$ - | \$ 0.07 |
| OR @ \$.07/serving | \$ 0.745 | \$ 0.093 | No | 0.00% | | \$ - | \$ 0.09 |
| South Carolina | \$ 0.770 | \$ 0.096 | Yes | 6.00% | | \$ 0.24 | \$ 0.34 |
| Hawaii | \$ 0.930 | \$ 0.116 | Yes | 4.00% | 0.54/gallon draft beer | \$ 0.16 | \$ 0.28 |
| OR @ \$.10/serving | \$ 1.065 | \$ 0.133 | No | 0.00% | | \$ - | \$ 0.13 |
| Alaska | \$ 1.070 | \$ 0.134 | No | 0.00% | | \$ - | \$ 0.13 |
| OR @ \$.15/serving | \$ 1.597 | \$ 0.200 | No | 0.00% | | \$ - | \$ 0.20 |

Source of Tax Rates: Center for Science in the Public Interest
http://cspinet.org/new/pdf/beer_tax_rankings.pdf