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COMMITTEE REPORT

May 19, 2010

**H. 4233**

Introduced by Rep. Harrison

S. Printed 5/19/10--S.

Read the first time April 27, 2010.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (H. 4233) to amend Section 12‑21‑1010, Code of Laws of South Carolina, 1976, relating to definitions for purposes of the beer and wine license tax, so as, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

PAUL G. CAMPBELL, JR. for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**REVENUE IMPACT 1/**

This bill is not expected to affect general fund revenue in FY2010-11.

## Explanation

This bill would amend the definition of beer contained in Section 12-21-1010(3) by striking the phrase “shall mean all beer, ales, porter and other similar malt or fermented beverages containing not more than five per cent of alcohol by weight”. This phrase would be replaced with the language that beer “has the meanings provided pursuant to Section 61-4-10(1) and (2). Act 14 of 2007 amended Section 61-4-10 to define beer as beverages containing more than 5% but less than 14% of alcohol by weight that are manufactured, distributed, or sold in containers of ten ounces or more or the metric equivalent. This section was further amended to reduce the size of the container from “ten” ounces to “six” ounces. The cross reference in Section 12-21-1010(3) was not amended in 2007. According to the Department of Revenue, Section 12-21-1010(3) would be amended to provide a consistent definition for beer and would not affect any taxes or fees pertaining to beer. This act takes effect upon approval by the Governor and the revised definition of “beer” applies retroactively to May 2, 2007 when Act 14 of 2007 was enacted.

*Approved By:*

William C. Gillespie

Board of Economic Advisors

1/ This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

**A** **BILL**

TO AMEND SECTION 12‑21‑1010, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS FOR PURPOSES OF THE BEER AND WINE LICENSE TAX, SO AS TO CONFORM THE DEFINITION OF “BEER” FOR PURPOSES OF THIS LICENSE TAX TO THE REVISED DEFINITION FOR “BEER” PROVIDED BY LAW FOR THE REGULATION OF BEER AND WINE SALES AND CONSUMPTION.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 12‑21‑1010(3) of the 1976 Code is amended to read:

“(3) The word ‘beer’ ~~shall mean all beer, ales, porter and other similar malt or fermented beverages containing not more than five per cent of alcohol by weight~~ has the meanings provided pursuant to Section 61‑4‑10(1) and (2);”

SECTION 2. Upon approval by the Governor, the revised definition of “beer” in Section 12‑21‑1010(3) of the 1976 Code, as amended by this act, applies retroactively to May 2, 2007.

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