



2011 Legislative Changes Affecting the Alcoholic Beverages Tax

Purpose: This Special Notice describes the provisions of 2011 Conn. Pub. Acts 6, §98, which increases the various alcoholic beverages tax rates.

Statutory Authority: Conn. Gen. Stat. §12-435, as amended by 2011 Conn. Pub. Acts 6, §98; 2011 Conn. Pub. Acts 6, §99.

Effective Date: Effective July 1, 2011, the various alcoholic beverages tax rates will increase by 20 percent (.20).

Increase to the Alcoholic Beverages Tax: The alcoholic beverages tax rates are increased for sales made by licensed distributors on or after July 1, 2011. The chart below illustrates the increases in tax on alcoholic beverages by beverage type and size.

Chart of Alcoholic Beverages Tax Rates

This chart identifies alcoholic beverages tax rate changes effective July 1, 2011 by beverage type and size.

Beverage	Size	Old Tax Rate	New Tax Rate
Still Wines - Not in excess of 21% alcohol by volume.	Wine Gallon	\$0.60	\$0.72
Still Wines Produced by Small Wineries - Not in excess of 21% alcohol by volume.	Wine Gallon	\$0.15	\$0.18
Fortified Wines in excess of 21% alcohol by volume and Sparkling Wines.	Wine Gallon	\$1.50	\$1.80
Beer and Other Malt Liquors - Draught barrels only.	Barrel	\$6.00	\$7.20
Beer and Other Malt Liquors - Other containers.	Wine Gallon	\$0.20	\$0.24
Distilled Liquors	Wine Gallon	\$4.50	\$5.40
Liquor Coolers - Not more than 7% of alcohol by volume.	Wine Gallon	\$2.05	\$2.46
Alcohol - In excess of 100 proof.	Proof Gallon	\$4.50	\$5.40

Floor Tax on Alcoholic Beverages: In addition to the change in tax rates imposed upon distributors of alcoholic beverages, each retailer of alcoholic beverages (including but not limited to grocery stores, package stores, restaurants, taverns, bars, and hotels) is required to take an inventory and pay tax on all alcoholic beverages owned and held within Connecticut at the opening of business on July 1, 2011. While distributors are not subject to this tax on inventory, or floor tax, distributors are required to include the statement “**Alcohol Floor Tax Due on These Products**” in bold red lettering on invoices for any products ordered by a retailer prior to July 1, 2011, and delivered by a distributor

from July 1, 2011, through July 8, 2011. (See **Special Notice 2011(4)**, *Alcoholic Beverages Tax on Alcoholic Beverages Inventory as of the Opening of Business on July 1, 2011.*)

For Further Information on the Alcoholic Beverages Tax: For further information on the alcoholic beverages tax, call the Excise Taxes Subdivision at **860-541-3224**, Monday through Friday, 8:30 a.m. to 4:30 p.m.

Effect on Other Documents: None.

Effect of This Document: A Special Notice announces a new policy or practice in response to changes in state or federal laws or regulations or to judicial decisions. A Special Notice indicates an informal interpretation of Connecticut tax law by the Department of Revenue Services (DRS).

For Further Information: Call DRS during business hours, Monday through Friday:

- **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only); **or**
- **860-297-5962** (from anywhere).

TTY, TDD, and Text Telephone users only may transmit inquiries anytime by calling 860-297-4911.

Forms and Publications: Visit the DRS website at www.ct.gov/DRS to download and print Connecticut tax forms and publications.

Paperless Filing/Payment Methods (fast, easy, free, and confidential): Business and individual taxpayers can use the **Taxpayer Service Center (TSC)** at www.ct.gov/TSC to file a variety of tax returns, update account information, and make payments online.

File Electronically: You can choose first-time filer information and filing assistance or log directly into the *TSC* to file returns and pay taxes.

Pay Electronically: You can pay taxes for tax returns that cannot be filed through the *TSC*. Log in and select the *Make Payment Only* option. Designate a payment date up to the due date of the tax and mail a paper return to complete the filing process.

DRS E-Alerts Service: Get connected to the latest news from DRS. Receive notification by email of changes to legislation, policies, and procedures. **DRS E-Alerts** provide information for employer's withholding tax, News – Press Releases, and Top 100 Delinquency List. Visit the DRS website at www.ct.gov/DRS and select *e-alerts* from the left navigation bar.
