

By: Guillen

H.B. No. 849

A BILL TO BE ENTITLED

AN ACT

relating to the status and taxation of powdered alcohol as an alcoholic beverage.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1.04(1), Alcoholic Beverage Code, is amended to read as follows:

(1) "Alcoholic beverage" means alcohol, including powdered alcohol, or any beverage containing more than one-half of one percent of alcohol by volume, which is capable of use for beverage purposes, either alone or when diluted or reconstituted.

SECTION 2. The heading to Section 201.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 201.03. TAX ON DISTILLED SPIRITS AND POWDERED ALCOHOL.

SECTION 3. Section 201.03(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A tax is imposed on the first sale of:

(1) distilled spirits at the rate of \$2.40 per gallon;
and

(2) powdered alcohol at the rate of \$2.40 per gallon based on the amount of liquid suggested to be added by the manufacturer's packaging.

SECTION 4. This Act takes effect September 1, 2019.