

STATE OF NEW YORK

4595--A

2025-2026 Regular Sessions

IN SENATE

February 10, 2025

Introduced by Sens. FERNANDEZ, CLEARE, RIVERA, SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- recommitted to the Committee on Budget and Revenue in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to increasing taxes imposed on alcoholic beverages

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

- 1 Section 1. Subdivision 1 of section 424 of the tax law, as amended by
2 chapter 433 of the laws of 1978, paragraphs (a), (b), (c) and (d) as
3 amended by section 1 of part X-1 of chapter 57 of the laws of 2009,
4 paragraph (e) as amended by section 1 and paragraph (g) as amended by
5 section 2 of part J of chapter 59 of the laws of 2020, and paragraph (f)
6 as amended by chapter 508 of the laws of 1993, is amended to read as
7 follows:
- 8 1. There are hereby levied and imposed on a distributor and a noncom-
9 mercial importer excise taxes at the following rates:
- 10 (a) [~~Fourteen~~] Sixteen and eight-tenths cents per gallon upon beers;
- 11 (b) [~~Thirty~~] Thirty-six cents per gallon upon still wines, except
12 cider containing more than three and two-tenths per centum of alcohol by
13 volume, upon which the tax shall be [~~three~~] four and [~~seventy-nine~~]
14 fifty-five hundredths cents per gallon;
- 15 (c) [~~Thirty~~] Thirty-six cents per gallon upon artificially carbonated
16 sparkling wines, except artificially carbonated sparkling cider contain-
17 ing more than three and two-tenths per centum of alcohol by volume, upon
18 which the tax shall be [~~three~~] four and [~~seventy-nine~~] fifty-five
19 hundredths cents per gallon;
- 20 (d) [~~Thirty~~] Thirty-six cents per gallon upon natural sparkling wines,
21 except natural sparkling cider containing more than three and two-tenths

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 per centum of alcohol by volume, upon which the tax shall be [~~three~~
2 four and [~~seventy-nine~~] fifty-five hundredths cents per gallon;

3 (e) [~~Sixty-seven~~] Eighty and four-tenths cents per liter upon liquors
4 containing not more than twenty-four per centum of alcohol by volume
5 except liquors containing not more than two per centum of alcohol by
6 volume, upon which the tax shall be zero; and

7 (f) [~~One-dollar~~] Two dollars and [~~seventy~~] four cents per liter upon
8 all other liquors; when sold or used within this state, except when sold
9 or used under such circumstances that this state is without power to
10 impose such tax or when sold to the United States and except beers when
11 sold to or by a voluntary unincorporated organization of the armed forc-
12 es of the United States operating a place for the sale of goods pursuant
13 to regulations promulgated by the appropriate executive agency of the
14 United States, to the extent provided in such regulations, directives
15 and policy statements of such an agency applicable to such sales, and
16 except when sold to professional foreign consuls-general, consuls and
17 vice-consuls who are nationals of the state appointing them and who are
18 assigned to foreign consulates in this state, provided that American
19 consular officers of equal rank who are citizens of the United States
20 and who exercise their official functions at American consulates in such
21 foreign country are granted reciprocal exemptions; provided, however,
22 that the commissioner may permit the sale of alcohol without tax to a
23 holder of any industrial alcohol permit, alcohol permit or alcohol
24 distributor's permit, issued by the state liquor authority, and by the
25 holder of an alcohol distributor's permit, class A, issued by such
26 authority to a holder of a distiller's license, class B, or a winery
27 license, issued by such authority and may also permit the use of alcohol
28 for any purpose other than the production of alcoholic beverages by such
29 holders without tax; provided also that the commissioner may permit the
30 sale of cider without tax by a holder of a cider producer's license
31 issued by the state liquor authority to a holder of a cider producer's
32 license or a cider wholesaler's license issued by such authority.

33 (g) For purposes of this chapter, it is presumed that liquors are
34 possessed for the purpose of sale in this state if the quantity of
35 liquors possessed in this state, imported or caused to be imported into
36 this state or produced, distilled, manufactured, compounded, mixed or
37 fermented in this state exceeds ninety liters. Such presumption may be
38 rebutted by the introduction of substantial evidence to the contrary. In
39 any case where the quantity of alcoholic beverages taxable pursuant to
40 this article is a fractional part of one liter (or one gallon in the
41 case of beers) or an amount greater than a whole multiple of liters (or
42 gallons in the case of beers), the amount of tax levied and imposed on
43 such fractional part of one liter (or one gallon in the case of beers),
44 or fractional part of a liter (or gallon) in excess of a whole multiple
45 of liters or gallons shall be such fractional part of the rate imposed
46 by paragraphs (a) through (f) of this subdivision.

47 Notwithstanding any other provision of this article, the commissioner
48 may permit the purchase of alcoholic beverages without tax by a person
49 registered as a distributor under section four hundred twenty-one of
50 this article from another person so registered, in which event the alco-
51 holic beverage so purchased shall be subject to the taxes imposed by
52 this article in the hands of the purchaser in the same manner and to the
53 same extent as if such purchaser had imported or caused the same to be
54 imported into this state or had produced, distilled, manufactured,
55 brewed, compounded, mixed or fermented the same within this state.

1 (h) Notwithstanding any other provision of this article, twenty
2 percent of all taxes, interest, penalties and fees collected or received
3 by the commissioner under paragraphs (a) through (f) of this subdivision
4 shall be allocated to the New York state drug treatment and public
5 education fund established pursuant to section ninety-nine-jj of the
6 state finance law.

7 § 2. This act shall take effect immediately.