

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 401

To amend the Internal Revenue Code of 1986 to clarify the excise tax treatment of hard apple cider.

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 14 (legislative day, JANUARY 30), 1995

Mr. LEAHY (for himself and Mr. JEFFORDS) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to clarify  
the excise tax treatment of hard apple cider.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CLARIFICATION OF TAX TREATMENT OF HARD**

4 **APPLE CIDER.**

5 (a) HARD APPLE CIDER CONTAINING NOT MORE  
6 THAN 7 PERCENT ALCOHOL TAXED AS BEER.—Sub-  
7 section (a) of section 5052 of the Internal Revenue Code  
8 of 1986 (relating to definitions) is amended to read as  
9 follows:

1       “(a) BEER.—For purposes of this chapter (except  
2 when used with reference to distilling or distilling mate-  
3 rial)—

4           “(1) IN GENERAL.—The term ‘beer’ means  
5 beer, ale, porter, stout, and other similar fermented  
6 beverages (including saké or similar products) of any  
7 name or description containing one-half of 1 percent  
8 or more of alcohol by volume brewed or produced  
9 from malt, wholly or in part, or from any substitute  
10 therefor.

11          “(2) HARD APPLE CIDER.—The term ‘beer’ in-  
12 cludes a beverage—

13           “(A) derived wholly (except for sugar,  
14 water, or added alcohol) from apples containing  
15 at least one-half of 1 percent and not more  
16 than 7 percent of alcohol by volume, and

17           “(B) produced by a person who produces  
18 more than 100,000 wine gallons of such bev-  
19 erage during the calendar year.”.

20          (b) CONFORMING AMENDMENT.—Subsection (a) of  
21 section 5041 of the Internal Revenue Code of 1986 (relat-  
22 ing to imposition and rate of tax) is amended by striking  
23 “wine)” and inserting “wine, but not including hard apple  
24 cider described in section 5052(a)(2))”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply on and after the date of enactment  
3 of this Act.

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