## H. R. 1236

To amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

## IN THE HOUSE OF REPRESENTATIVES

March 29, 2011

Mr. Gerlach (for himself, Mr. Neal, Mr. Paulsen, Mr. Blumenauer, Mr. Hunter, and Mr. Defazio) introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To amend the Internal Revenue Code of 1986 to provide a reduced rate of excise tax on beer produced domestically by certain small producers.

- 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. SHORT TITLE.
- 4 This Act may be cited as the "Small Brewer Rein-
- 5 vestment and Expanding Workforce Act" or as the "Small
- 6 BREW Act".

1	SEC. 2. REDUCED RATE OF EXCISE TAX ON BEER PRO-
2	DUCED DOMESTICALLY BY CERTAIN SMALL
3	PRODUCERS.
4	(a) In General.—Paragraph (2) of section 5051(a)
5	of the Internal Revenue Code of 1986 is amended—
6	(1) by redesignating subparagraphs (B) and
7	(C) as subparagraphs (C) and (D), respectively, and
8	(2) by striking subparagraph (A) and inserting
9	the following new subparagraphs:
10	"(A) IN GENERAL.—In the case of a brew-
11	er who produces not more than 6,000,000 bar-
12	rels of beer during the calendar year, the per
13	barrel rate of tax imposed by this section shall
14	be—
15	"(i) \$3.50 on the first 60,000 quali-
16	fied barrels of production, and
17	"(ii) \$16 on the first 1,940,000 quali-
18	fied barrels of production to which clause
19	(i) does not apply.
20	"(B) Qualified barrels of produc-
21	TION.—For purposes of this paragraph, the
22	term 'qualified barrels of production' means,
23	with respect to any brewer for any calendar
24	year, the number of barrels of beer which are
25	removed in such year for consumption or sale
26	and which have been brewed or produced by

1	such brewer at qualified breweries in the United
2	States.".
3	(b) Conforming Amendments.—
4	(1) Subparagraph (C) of section 5051(a)(2) of
5	such Code, as redesignated by this section, is
6	amended—
7	(A) by striking "2,000,000 barrel quan-
8	tity" and inserting "6,000,000 barrel quantity",
9	and
10	(B) by striking "60,000 barrel quantity"
11	and inserting "60,000 and 1,940,000 barrel
12	quantities".
13	(2) Subparagraph (D) of such section, as so re-
14	designated, is amended by striking "2,000,000 bar-
15	rels" and inserting "6,000,000 barrels".
16	(c) Effective Date.—The amendments made by
17	this section shall apply to beer removed during calendar
18	years beginning after the date of the enactment of this
19	Act.