

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

March 14, 2005 LB 563

alcohol? Alcohol either comes from distillation or fermentation. The effects will be the same if it comes from distillation or fermentation. The alcohol in these beverages that we're talking about will still be under 6 percent. Anything under 6 percent shall be taxed and has been taxed in this state as beer. So you tell me if you can tell the difference between alcohol derived from distillation or fermentation. Alcohol is alcohol. Right now, I've heard mentioned that we'll be losing dollars. No, it will stay the same, because now we're taxing these products as beer. Sure, they've got fancy labels on the bottles, but have you looked at...looked at cans of beer lately? They do ever...that's advertising, folks. That's advertising. They got a product to sell and they intend to sell it. I would never think about lowering the age limit when you can purchase alcohol. I think 21 is where it should be. If I believe, if I'm right, at one time we did allow 18-year-olds to consume alcohol, but that was changed after a few years. I'm not asking for anything that other states aren't going to adopt. The Liquor Commission requested that we set something into statutes that they could follow, and that's what the General Affairs Committee is supposed to do. We heard testimony in the committee, about the same kind of testimony we're hearing today. But I do want to instill, and it's very important, that the taxes, we will not be losing any taxes; they will stay the same. These things come and go, folks. They come and go. The industry is out there to push a product. It happens to be alcohol. So the states can tax that as they want. The federal government has set down a ruling now that if you want to tax it as beer you cannot have more than 49 percent of the alcohol, that's still of the 6 percent by volume that this will be taxed, not more than 49 percent of that can come from distillation. Fifty-one percent must come from fermentation, which is beer. I think it is something that this state needs to get down in the statutes so the Liquor Commission has a guideline to go by, and I am going to be opposing Senator Chambers' FA31, and I hope the majority of you follow my line. Thank you.

SENATOR CUDABACK: Thank you, Senator Janssen. Senator Loudon, followed by Senator Chambers.