



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
PO Box 269
TRENTON NJ 08695-0269

Alcoholic Beverage Tax Increase Effective August 1, 2009 (P.L. 2009, c. 71)

The New Jersey Alcoholic Beverage Tax (Excise Tax), which is applied to the first sale or delivery of alcoholic beverages to retailers in New Jersey and is paid by manufacturers, wholesalers and State beverage distributors increases August 1, 2009 pursuant to P.L. 2009, c. 71 as follows:

- Liquors—Increases from a rate of \$4.40 a gallon until July 31, 2009 to a rate of \$5.50 a gallon effective August 1, 2009.
- Still wines, vermouth and sparkling wines—Increases from a rate of \$0.70 a gallon until July 31, 2009 to a rate of \$0.875 a gallon effective August 1, 2009.
- Apple Cider (cider containing at least 3 2/10% of alcohol by volume but not more than 7% of alcohol by volume)—increases from a rate of \$.12 a gallon until July 31, 2009 to a rate of \$0.15 a gallon effective August 1, 2009.

Please note that since the tax increase is effective on August 1, 2009, there will be two different tax rates applied to the tax return covering the months of July and August 2009. Returns specifically for the period covering July and August along with related worksheets can be obtained from the forms section of the Division's website at <http://www.state.nj.us/treasury/taxation/>. Returns reflecting the new tax rates applicable to subsequent tax periods can also be obtained from this website.

All retail sales of alcoholic beverages are subject to the 7% Sales and Use Tax.

Should you have any questions regarding the above, please contact James Stein at (609) 633-7068. We ask for your usual cooperation to help make this a smooth transition.