

New York State Department of Taxation and Finance  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-M-98(1)M  
Alcoholic Beverages Tax  
October 1998

**Reduction of New York State Alcoholic Beverages Tax Rate on Beer**

On April 28, 1998, Governor George E. Pataki signed Chapter 56 of the Laws of 1998 into law. Section 27-b of this chapter amended section 424(1)(a) of the Tax Law to reduce the New York State alcoholic beverages tax rate on beer from 16 cents per gallon to 13 ½ cents per gallon, effective January 1, 1999.

The new rate applies to all beer delivered by registered distributors on or after January 1, 1999, regardless of the date of the sales contract. It also applies to beer imported into New York State by noncommercial importers on or after January 1, 1999.

Because of the change in the excise tax rate, Form MT-50, *Return of Tax on Beer and Similar Fermented Malt Beverages*, and related schedules are being revised. The revised forms with the new rate will be sent to all registered distributors in time to file their January 1999 return, which must be filed on or before February 22, 1999.