

March 25, 2010
Initiative 10-0005

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

IMPOSES ADDITIONAL TAX ON ALCOHOLIC BEVERAGES. INITIATIVE

STATUTE. Imposes an additional excise tax on alcoholic beverages, increasing the excise tax on each six-pack of beer from 11¢ to \$6.08, on each 750 ml bottle of wine from 4¢ to \$5.11, and on each 750 ml bottle of distilled spirits from 65¢ to \$17.57. Requires additional excise tax revenues to be deposited into a special fund appropriated to the Department of Alcohol and Drug Programs to finance programs to address alcohol-related harms as specified. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Additional state revenues of between \$7 billion and \$9 billion annually from an increase in state excise taxes on alcoholic beverages, with the proceeds going to support alcohol-related programs and services. A decrease in state and local revenues from existing excise and sales taxes on alcoholic beverages of several hundred million dollars annually due to a likely decline in consumption of alcoholic beverages. (10-0005.)**