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Alcoholic Beverage Tax Initiative Enters Circulation

Imposes Additional Tax on Alcoholic Beverages. Initiative Statute.

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponents of a new initiative may begin collecting petition signatures for their measure.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponents and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponents and to county elections officials, and the initiative may be circulated for signatures. The Attorney General’s official title and summary for the measure is as follows:

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.)

The Secretary of State’s tracking number for this measure is 1461 and the Attorney General’s tracking number is 10-0005.

The proponents for this measure, Josie Whitney and Kent M. Whitney, must collect signatures of 433,971 registered voters – the number equal to five percent of the total votes cast for governor in the 2006 gubernatorial election – in order to qualify it for the ballot. The proponents have 150 days to circulate petitions for this measure, meaning the signatures must be collected by August 23, 2010.

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The initiative proponents can be reached at kjkwhitney@yahoo.com. No phone number was provided.

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