

By: Alvarado, Geren, Howard, Ashby, Guillen

H.B. No. 133

Substitute the following for H.B. No. 133:

By: Kuempel

C.S.H.B. No. 133

A BILL TO BE ENTITLED

AN ACT

relating to the status, regulation, and taxation of powdered alcohol as an alcoholic beverage; creating a criminal offense.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1.04(1), Alcoholic Beverage Code, is amended to read as follows:

(1) "Alcoholic beverage" means alcohol, including powdered alcohol, or any beverage containing more than one-half of one percent of alcohol by volume, which is capable of use for beverage purposes, either alone or when diluted or reconstituted.

SECTION 2. Subchapter C, Chapter 101, Alcoholic Beverage Code, is amended by adding Section 101.461 to read as follows:

Sec. 101.461. PACKAGING OF POWDERED ALCOHOL. Notwithstanding any other law, a person may not sell powdered alcohol to an ultimate consumer unless the powdered alcohol is sealed in single-serving packages containing not more than 14 grams of powdered alcohol each.

SECTION 3. Subchapter A, Chapter 108, Alcoholic Beverage Code, is amended by adding Section 108.11 to read as follows:

Sec. 108.11. ADVERTISING OF POWDERED ALCOHOL. In an advertisement for powdered alcohol, a person may not suggest or depict the consumption of powdered alcohol without the addition of liquid to the powdered alcohol.

SECTION 4. The heading to Section 201.03, Alcoholic

1 Beverage Code, is amended to read as follows:

2 Sec. 201.03. TAX ON DISTILLED SPIRITS AND POWDERED ALCOHOL.

3 SECTION 5. Section 201.03(a), Alcoholic Beverage Code, is
4 amended to read as follows:

5 (a) A tax is imposed on the first sale of:

6 (1) distilled spirits at the rate of \$2.40 per gallon;
7 and

8 (2) powdered alcohol at the rate of \$2.40 per gallon
9 based on the amount of liquid suggested to be added by the
10 manufacturer's packaging.

11 SECTION 6. This Act takes effect September 1, 2017.