

118TH CONGRESS
2D SESSION

H. R. 7029

To amend the Internal Revenue Code of 1986 to remove the differentiation between mead and low alcohol by volume wine for purposes of the tax imposed on wines.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 2024

Mr. BLUMENAUER (for himself and Mr. KELLY of Pennsylvania) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to remove the differentiation between mead and low alcohol by volume wine for purposes of the tax imposed on wines.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Bubble Tax Mod-
5 ernization Act of 2024”.

6 **SEC. 2. REMOVING DIFFERENTIATION BETWEEN MEAD AND**
7 **LOW ALCOHOL BY VOLUME WINE.**

8 (a) IN GENERAL.—Section 5041(h) of the Internal
9 Revenue Code of 1986 is amended to read as follows:

1 “(h) LOW ALCOHOL BY VOLUME WINE.—

2 “(1) IN GENERAL.—For purposes of sub-
3 sections (a) and (b)(1), low alcohol by volume wine
4 shall be deemed to be still wines containing not more
5 than 16 percent of alcohol by volume.

6 “(2) DEFINITION.—For purposes of this sec-
7 tion, the term ‘low alcohol by volume wine’ means a
8 wine—

9 “(A) containing not more than 0.64 gram
10 of carbon dioxide per hundred milliliters of
11 wine, except that the Secretary may by regula-
12 tions prescribe such tolerances to this limitation
13 as may be reasonably necessary in good com-
14 mercial practice, and

15 “(B) which contains less than 8.5 percent
16 alcohol by volume.”.

17 (b) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to wine removed after December
19 31, 2024.

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