



## State-Shared Beer Tax

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Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](https://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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## State-Shared Beer Tax

**Reference Number:** MTAS-1877

**Revenue Class:** Intergovernmental Revenue

**Fund:** General

**Account No.:** 33530

**Description:** State tax on the manufacture, sale, and transportation of beer, of which the municipalities receive a share of 10.05 percent of the total taxes, distributed based on population.

**Authorization:** T.C.A. § 57-5-201 *et seq.*

**Requirements or Restrictions:** None.

**Current Rate:** \$4.29 per 31-gallon barrel; returns are based upon population. Revenue generated from the increase from \$3.40 to \$3.90 is allocated to the state highway fund

**Frequency of Payment:** Semi-annually.

**Late Pay Penalty:** 10 percent interest and penalty is collected by the state. T.C.A. § 57-5-204.

**Exemptions:** Beer and ale sold for consumption at U.S. military installations.

**Collection:** State forwards municipality's share semi-annually.

**Use Restrictions:** None

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*DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.*

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