

HOUSE BILL NO. 5084

September 26, 2025, Introduced by Reps. DeSana, Greene, Maddock and Carra and referred to Committee on Finance.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 409 (MCL 436.1409), as amended by 2020 PA 109.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 409. (1) Except as provided in this section, the
2 commission shall levy and collect a tax on all beer manufactured or
3 sold in this state at the rate of \$6.30 per barrel if the beer is
4 sold in bulk or in different quantities. Before February 1, 2015,
5 the tax must be paid by the brewer or brewpub if manufactured in
6 this state or by the wholesaler or the person from whom purchased
7 if manufactured outside this state, whichever is designated by the

1 commission.

2 (2) ~~Beginning on and after February 1, 2015,~~ **After January 31,**
3 **2015,** the tax under this section must be paid by the brewer or
4 brewpub if the beer is manufactured in this state or if the beer is
5 manufactured outside this state the tax must be paid by the
6 wholesaler assigned to distribute that beer and the tax must be
7 levied and collected on the number of barrels the wholesaler
8 actually sold to licensed retailers in this state. A brewer may
9 designate a wholesaler to pay the tax on behalf of the brewer. If a
10 brewer designates a wholesaler to pay the tax on its behalf, the
11 brewer shall notify the commission of the designation and provide
12 the commission with a copy of its brewer's report of operations
13 that it filed with the Alcohol and Tobacco Tax and Trade Bureau of
14 the United States Department of Treasury for each calendar year.

15 (3) The commission shall establish by rule a method for the
16 collection of the tax levied under subsection (1) and reporting
17 requirements for wholesalers, brewers, brewpubs, and outstate
18 sellers of beer to verify the remission of taxes to this state.
19 Except as otherwise provided in this subsection, the commission
20 shall not require that the tax be paid in less than monthly
21 intervals. Beginning March 15, 2020, the commission shall not
22 require that the tax be paid in less than quarterly intervals. The
23 rules under this section must be promulgated pursuant to the
24 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
25 24.328.

26 (4) The tax levied under subsection (1) must not be collected
27 on beer that is consumed on the premises of the manufacturer or is
28 damaged in the process of brewing, packaging, storage, and
29 distribution and is not offered for sale, except that beer sold by

1 a brewpub for consumption on the premises or beer produced and
2 consumed on the premises of a micro brewer is subject to the tax
3 levied under subsection (1).

4 (5) The tax levied under subsection (1) must be rebated to the
5 person that paid the tax if the person provides satisfactory proof
6 to the commission that the beer was shipped outside of this state
7 for sale and consumption outside this state.

8 (6) For the purposes of the tax levied under subsection (1), a
9 barrel of beer contains 31 gallons.

10 (7) The commission may promulgate a rule that designates the
11 states or the laws or the rules of other states that require a
12 licensed wholesaler of beer to pay an additional fee for the right
13 to purchase, import, or sell beer manufactured in this state; that
14 denies the issuance of a license authorizing the importation of
15 beer to any wholesaler of beer in that state who applies for the
16 license; that prohibits wholesalers of beer in that state from
17 possessing or selling beer purchased in this state, unless the
18 person from whom the beer was purchased has secured a license and
19 paid a fee in that state, if the seller does not transport the beer
20 into the state and does not sell the beer in the state; or that
21 imposes any higher taxes or inspection fees on beer manufactured in
22 this state when transporting the beer into or selling the beer in
23 that state than taxes or fees imposed on beer manufactured and sold
24 within that state. A rule promulgated under this subsection must
25 prohibit all licensees from purchasing, receiving, possessing, or
26 selling any beer manufactured in any state designated in the rule.
27 A rule promulgated under this subsection becomes effective as
28 provided in section 47 of the administrative procedures act of
29 1969, 1969 PA 306, MCL 24.247. Any licensee or person adversely

1 affected by a rule promulgated under this subsection is entitled to
2 review by leave to a court of competent jurisdiction regarding the
3 question as to whether the commission acted illegally or in excess
4 of its authority in making its finding under this subsection with
5 respect to any state.

6 (8) Regardless of whether the tax was remitted to this state
7 by the eligible brewer or a designated wholesaler, an eligible
8 brewer may claim a credit or request a refund, in a manner as
9 determined by the commission, against the tax levied under
10 subsection (1) in the amount of \$2.00 per barrel for the first
11 30,000 barrels. As used in this subsection, "eligible brewer" means
12 a brewer, whether or not located in this state, or brewpub that
13 manufactures not more than 60,000 barrels of beer during the tax
14 year for which the credit is claimed. In determining the number of
15 barrels for purposes of the credit, all brands and labels of a
16 brewer must be combined and all facilities for the production of
17 beer that are owned or controlled by the same person is treated as
18 a single facility.

19 (9) **This section does not apply on or after the effective date**
20 **of the amendatory act that added this subsection.**