

June 10, 2002

H 1592. MEDICAID SUPPLEMENT ACT. TO RAISE ADDITIONAL FUNDS AND EARMARK THE FUNDS FOR MEDICAID. Amends GS 105-113.80, effective October 1, 2002, to raise the excise tax on beer from 53.117 cents to 76 cents per gallon, on wine from 21 cents to 26 cents per liter, on fortified wine from 24 cents to 29 cents per liter, and on liquor from 25% to 30%. Adds new GS 105-113.81B to require the following percentage of beer, wine, and liquor taxes be credited to DHHS for Medicaid programs, less the amount credited to the Dep't of Agriculture and Consumer Services under GS 105-113.81A: 30% of the beer tax, 19.2% of the tax on unfortified wine, 17.2% of the tax on fortified wine, and 16.7% of the tax on liquor sold in ABC stores. The distribution must be made within 60 days after March 31 of each year. Amends GS 105-113.82 to lower the amount of beer and wine taxes distributed to local governments under that section as follows: from 23.45% to 16.6% of the tax on beer; from 62% to 50.1% of the tax on unfortified wine; and from 22% to 18.2% of the tax on fortified wine. Provisions affecting distribution of taxes to DHHS and local governments effective March 31, 2004, and applicable to distributions made on or after that date. Within 60 days after March 31, 2003, the Sec'y of Revenue must credit to DHHS for Medicaid programs \$29,155,000, which represents the estimated amount of additional tax revenue generated by the act through March 31, 2003.

Intro. by Mark Crawford.

Ref. to Finance	GS 105
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