

**STATUS OF STATE LAWS RESTRICTING LOCAL AUTHORITY TO
IMPOSE ALCOHOL TAXES IN THE UNITED STATES
Update of State Data (as of July 1, 2022)**

Background

In late summer of 2022, legal research was conducted to update the status of state laws restricting local authority to impose alcohol taxes in the United States. The data from January 2015 were published in an article in the *Journal of Studies on Alcohol and Drugs* in 2017ⁱ. This update reviewed whether there were any changes to state laws restricting local authority between January 1, 2015, and July 1, 2022.

Scope of Legal Research

The legal research specifically sought to identify whether the states had amended laws related to local authority to impose alcohol taxes. The original analysis placed each state in one of the following categories:

1. Local tax authority with no major restrictions
2. Local tax authority with one or more major restrictions (see below)
3. No local tax authority (state preemption)

The following limitations were considered major restrictions and included in this review:

1. Limits on beverages that may be taxed
2. Caps on amount of tax
3. Limits on type of retail sales that may be taxed
4. Limits on use of tax revenue
5. Limits on which local governments have tax authority

Legal Research Method

A four-phase legal research methodology was used to produce the original dataset. Phase One involved state-by-state searches in Westlaw — an online research database of primary and secondary legal sources — for laws granting local tax authority. In Phase Two, an independent review of each state’s tax law was conducted. Phase Three involved specific review of state tax code to determine whether any of the major restrictions described above existed in each state. Finally, Phase Four included a review of the municipal codes of the 10 largest cities in states with local taxing authority to determine whether they had levied a local tax. Additional details on the legal research methods used to create the original dataset are described in the 2017 article in the *Journal of Studies on Alcohol and Drugs*.

This publication was supported by the Centers for Disease Control and Prevention of the US Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$145,873 with 100 percent funded by CDC/HHS. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by CDC/HHS, or the US Government.

ChangeLab Solutions is a nonprofit organization that provides legal information on matters relating to public health. The legal information in this document does not constitute legal advice or legal representation. For legal advice, readers should consult a lawyer in their state.

Given the thoroughness of the methodology used to create the original dataset, a two-phase approach was used to update the state findings from January 1, 2015, to July 1, 2022. Phase One involved searching in Westlaw for each citation relied on for coding in each state. Results were then reviewed to determine whether there were any amendments or repeals of the citation relevant to the coding. Phase Two included searches of each state's legislative histories and regulatory rulemaking for statutes or rules that affected local authority to tax alcoholic beverages.

Changes Identified

The original publication in the *Journal of Studies on Alcohol and Drugs* in 2017 reflects the status of local tax authority as of January 1, 2015. No changes to the status of state laws restricting local authority to impose alcohol taxes in the United States between January 1, 2015, and July 1, 2022, were identified.

ⁱ Mosher, J. F., Adler, S. S., Pamukcu, A. M., & Treffers, R. D. (2017). Review of state laws restricting local authority to impose alcohol taxes in the United States. *Journal of Studies on Alcohol and Drugs*, 78(2), 241-248.

This publication was supported by the Centers for Disease Control and Prevention of the US Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$145,873 with 100 percent funded by CDC/HHS. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by CDC/HHS, or the US Government.

ChangeLab Solutions is a nonprofit organization that provides legal information on matters relating to public health. The legal information in this document does not constitute legal advice or legal representation. For legal advice, readers should consult a lawyer in their state.