



State Board of Equalization

News Release

Vice Chairwoman Betty T. Yee

1st District – San Francisco

Ramon J. Hirsig
Executive Director
www.boe.ca.gov

**For Immediate Release
June 11, 2008**

**Contact: NR 37-08-Y
Alan LoFaso
916-445-4081**

Yee Heralds Approval of Alcopops Regulation

Betty T. Yee, Vice Chair of the State Board of Equalization (BOE), today announced final approval by the state's Office of Administrative Law (OAL) of BOE-adopted regulations implementing the taxation of flavored malt beverages as distilled spirits.

"These regulations are an important step to make a difference in the human toll and suffering from underage drinking," said Yee. "This action is a direct result of the extensive visits and testimony of young people who shared their perspectives and their peers' experiences around the consumption of flavored malt beverages."

The OAL action, effective in 30 days, concludes the process of clarifying the definition of distilled spirits to include flavored malt beverages, often called "alcopops." Currently, beer and beer products are taxed at 20 cents per gallon and distilled spirits are taxed at \$3.30 per gallon. The distilled spirit tax rate on flavored malt beverages begins on October 1, 2008.

In her announcement, Yee acknowledged the contribution of industry representatives and BOE staff in the development of the regulations.

"I care about being sure this regulation works to make a difference in the health of our youth," Yee added.

Vice Chairwoman Betty T. Yee was elected to her post in November 2006. Her district includes many of California's coastal counties, from Del Norte to Santa Barbara, and includes the entire San Francisco Bay Area.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

###