

Regulation History

Type of Regulation:	Alcoholic Beverage Tax
Regulation:	2558, 2559, 2559.1, 2559.3, 2559.5
Title:	Regulation 2558. Distilled Spirits. Regulation 2559. Presumption – Distilled Spirits. Regulation 2559.1. Rebuttable Presumption – Distilled Spirits. Regulation 2559.3. Internet List. Regulation 2559.5. Correct Classification.
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Through a petition for rulemaking, it was brought to the Board’s attention that the definitions of “beer” and “distilled spirits” require clarity with respect to the classification of an alcoholic beverage commonly referred to as a flavored malt beverage (FMB). Neither California law, nor federal law, has a specific definition of FMB. Therefore, the Board proposes to adopt the new regulations in order to clarify when an alcoholic beverage meets the definition of a “distilled spirit” or a “beer.”

History of Proposed Regulation:

October 1, 2008:	Regulations 2558, 2559, 2559.3, and 2559.5 effective date
July 10, 2008:	Regulation 2559.1 effective date
June 10, 2008:	Office of Administrative Law (OAL) approves regulation
April 28, 2008:	Regulation resubmitted to OAL for approval
April 8, 2008:	Final text approved by Board (Vote 3-2)
March 19, 2008:	Chief Counsel Matters (Vote 3-2)
January 24, 2008:	Rulemaking file withdrawn from OAL
December 10, 2007:	Regulation submitted to OAL for approval
November 15, 2007:	Public hearing (Vote 3-2)
October 29, 2007:	45-day public comment period over
September 14, 2007:	Notice of public hearing published in California Regulatory Notice Register, Register 2007, No. 37-Z, e-mailed and US mail to interested parties.
September 4, 2007:	Notice to publish submitted to the Office of Administrative Law (OAL)
August 14, 2007:	Business Taxes Committee, Board authorized publication of proposed regulations (Vote 3-2)
June 6, 2007:	Second Interested Parties Meeting
February 22, 2007:	First Interested Parties Meeting
December 26, 2006:	Topic placed on BTC Calendar
December 13, 2006:	Petition to adopt a regulation to tax flavored malt beverages as distilled spirits and/or amend Regulation 2530 heard by Board
Support:	Petitioners, Friday Night Live, Students Making a Community Change (S.M.A.C.C.) and the California Youth Council, The Marin Institute, Girl Scout Councils of California, The California State PTA, Board of Supervisors Alpine and Marin Counties, San Diego Unified School District, and numerous other individuals, organizations and associations.
Oppose:	The Flavored Malt Beverage Coalition, California Small Brewer’s Association, California Retailer’s Association, California Grocers Association, Association for Los Angeles Deputy Sheriffs, and numerous other individuals, organizations and associations primarily representing industry.