

# FISCAL NOTE

**Bill #:** HB0493

**Title:** Licensure and distribution by Montana wineries

**Primary Sponsor:** Nancy Fritz

**Status:** As Introduced

\_\_\_\_\_  
Sponsor signature Date

\_\_\_\_\_  
Chuck Swysgood, Budget Director Date

## Fiscal Summary

	<b><u>FY2002</u></b> <b><u>Difference</u></b>	<b><u>FY2003</u></b> <b><u>Difference</u></b>
<b>Expenditures:</b>	0	0
<b>Revenue:</b>		
General Fund	\$1,125	\$525
<b>Net Impact on General Fund Balance:</b>	<b>\$1,125</b>	<b>\$525</b>

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

## Fiscal Analysis

### ASSUMPTIONS:

1. Currently, wineries pay a \$25 annual registration fee as stated in A.R.M. 42.13.401.
2. Under this proposal, most wine is to be manufactured within the state only by a licensed domestic winery. The first annual license fee of \$400 must accompany the application for a licensed domestic winery. Thereafter, the annual renewal license fee for each domestic winery is \$400 for those producing more than 25,000 gallons of wine per year, and \$200 for those producing 25,000 or less gallons of wine per year.
3. There are three wineries registered in Montana that produce less than 25,000 gallons per year.
4. Revenue to the general fund will increase by \$1,125 ((3 x \$400)-\$75) in FY 2002 and by \$525 ((3 x \$200)-\$75) in FY 2003.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Revenues:</u>		
General Fund (01)	\$1,125	\$525
 <u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	\$1,125	\$525

TECHNICAL NOTES:

1. Section 6, 16-4-501(1)(b), MCA, does not explicitly state that wine produced is based on an annual production period.