



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

SB0020 - Generally revise laws related to alcohol (Fitzpatrick, Steve)

Status: As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Other	(\$3,000)	(\$3,000)	(\$3,100)	(\$3,100)
Revenue:				
General Fund	(\$3,000)	(\$3,000)	(\$3,100)	(\$3,200)
Other	(\$3,000)	(\$3,000)	(\$3,100)	(\$3,200)
Net Impact-General Fund Balance:	<u>(\$3,000)</u>	<u>(\$3,000)</u>	<u>(\$3,100)</u>	<u>(\$3,200)</u>

Description of fiscal impact: SB 20 revises alcoholic beverage tax laws, including removing the \$0.01/liter tax assessed on table wine sold to an agency liquor store. Removing this tax would decrease general fund revenue by approximately \$3,000 in FY 2024 and FY 2025, \$3,100 in FY 2026, and \$3,200 in FY 2027.

FISCAL ANALYSIS

Assumptions:

Department of Revenue (DOR)

1. SB 20 revises the process DOR can take against an entity for failing to pay alcoholic beverage taxes and adds clarity on who is responsible for paying alcoholic beverage taxes.
2. The bill creates authority for DOR to estimate alcoholic beverages taxes and to collect on outstanding balances.
3. Any required system or forms changes would be absorbed through the normal business process.
4. The bill also removes a \$0.01 a liter tax that is assessed on table wine sold to an agency liquor store by a table wine distributor.
5. In FY 2022, there were approximately 290,000 liters of table wine sold to agency liquor stores.
6. The \$0.01 tax generated approximately \$2,900 in general fund revenue.
7. Using the growth rates in HJ 2, the estimated differences in revenue for FY 2024 to 2027 are shown below.

FY	Revenue Difference
2024	\$ (3,000)
2025	\$ (3,000)
2026	\$ (3,100)
2027	\$ (3,200)

	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Transfers	<u>(\$3,000)</u>	<u>(\$3,000)</u>	<u>(\$3,100)</u>	<u>(\$3,200)</u>
TOTAL Expenditures	<u>(\$3,000)</u>	<u>(\$3,000)</u>	<u>(\$3,100)</u>	<u>(\$3,200)</u>
<u>Funding of Expenditures:</u>				
Other	<u>(\$3,000)</u>	<u>(\$3,000)</u>	<u>(\$3,100)</u>	<u>(\$3,200)</u>
TOTAL Funding of Exp.	<u>(\$3,000)</u>	<u>(\$3,000)</u>	<u>(\$3,100)</u>	<u>(\$3,200)</u>
<u>Revenues:</u>				
General Fund (01)	<u>(\$3,000)</u>	<u>(\$3,000)</u>	<u>(\$3,100)</u>	<u>(\$3,200)</u>
Other	<u>(\$3,000)</u>	<u>(\$3,000)</u>	<u>(\$3,100)</u>	<u>(\$3,200)</u>
TOTAL Revenues	<u>(\$6,000)</u>	<u>(\$6,000)</u>	<u>(\$6,200)</u>	<u>(\$6,400)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	<u>(\$3,000)</u>	<u>(\$3,000)</u>	<u>(\$3,100)</u>	<u>(\$3,200)</u>

NO SPONSOR SIGNATURE

Sponsor's Initials

1/4/23

Date



Budget Director's Initials

12-19-22

Date