

# CONNECTICUT PACKAGE STORES ASSOCIATION



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## **ATTACHED ARE THE FOLLOWING FOR YOUR REVIEW WHICH THE CPSA REPRESENTATIVE CARROLL J. HUGHES CAN EXPLAIN.**

Department of Revenue Services 2012-2013 full year report of excise taxes from the sales of beer, wine and spirits.

Monthly reports from the Department of Revenue Services for June 2012, July 2012, July to October 2012 and July 1<sup>st</sup> to December 31, 2012.

Bottle cost on 750 ML and 1.75 ML of four products sold in Connecticut with taxes and other typical bottle costs.

Comparative excise tax on alcohol beverages for three years including the two fiscal years before Sunday sales. And the fiscal year of Sunday sales July 1, 2012 to June 30, 2013.

A list of comparative Connecticut retail prices on certain spirit items in Massachusetts, New York and New Hampshire with sales tax included.

The sales tax loss if a bottle is reduced from current sales price is by \$2.00.

**STATE OF CONNECTICUT  
DEPARTMENT OF REVENUE SERVICES  
25 SIGOURNEY ST. HARTFORD, CT 06106  
KEVIN B. SULLIVAN, COMMISSIONER**

COMPARATIVE STATEMENT OF ALCOHOLIC BEVERAGE SALES FOR THE MONTH OF JUNE 2013  
AND JUNE 2012 INDICATED BY REVENUES OF JULY 2013 AND JULY 2012

TYPE OF BEVERAGE	Tax Rate- Effective 7/1/2011	Jun-13 QUANTITY	Jun-12 QUANTITY	Jun-13 TAX	Jun-12 TAX	% INCREASE/ DECREASE TAX
MALT BEVERAGES	\$7.20 (per barrel)	17,196.00 (barrels)	17,836.00	\$123,811.20	\$128,419.20	-3.59%
MALT BEVERAGES	\$0.24 (per gallon)	4,911,253.00 (gallons)	5,156,958.00	\$1,178,700.72	\$1,237,669.92	-4.70%
<b>TOTAL TAX - MALT BEVERAGES</b>				<b>\$1,302,511.92</b>	<b>\$1,366,089.12</b>	<b>-4.85%</b>
WINES UNDER 21% ALCOHOL						
LARGE WINERIES	\$0.72 (per gallon)	1,142,047.00 (gallons)	1,183,843.00	\$822,273.84	\$852,366.98	-3.53%
SMALL WINERIES	\$0.18 (per gallon)	16,662.00 (gallons)	14,208.00	\$2,999.16	\$2,557.08	17.29%
WINES OVER 21% ALCOHOL & SPARKLING WINES	\$1.80 (per gallon)	39,813.00 (gallons)	39,522.00	\$71,663.40	\$71,139.80	0.74%
<b>TOTAL TAX - WINES</b>				<b>\$896,936.40</b>	<b>\$925,063.64</b>	<b>-3.15%</b>
DISTILLED LIQUOR	\$5.40 (per gallon)	730,362.00 (gallons)	741,867.00	\$3,944,062.80	\$4,006,081.80	-1.55%
LIQUOR COOLER	\$2.46 (per gallon)	1,661.00 (gallons)	2,210.00	\$4,086.06	\$5,436.60	-24.84%
ALCOHOL	\$5.40 (per proof gallon)	3,737.00 (gallons)	3,512.00	\$20,178.80	\$18,964.80	6.41%
<b>TOTAL TAX - DISTILLED SPIRITS</b>				<b>\$3,968,328.66</b>	<b>\$4,030,483.20</b>	<b>-1.54%</b>
<b>TOTAL - ALCOHOLIC BEVERAGES TAX</b>				<b>\$6,167,776.98</b>	<b>\$6,322,636.96</b>	<b>-2.45%</b>

**REVENUE COLLECTION SUMMARY**

Revenue for period July 1, 2012 - June 30, 2013:	<b>\$60,405,645.00</b>
Revenue for period July 1, 2011 - June 30, 2012:	<b>\$60,595,466.00</b>
Increase or decrease in revenue for current Fiscal Year:	<b>(\$189,810.00) -0.31% of Increase/Decrease</b>

Due to electronic funds transfer procedures and filing dates for tax returns, the cumulative revenue figures may not include all monies due for the current tax period; it may include some monies due for the prior tax period (s) of the previous fiscal year.

of Tax Revenue. Revenue figures reflected above include accruals

**Sunday Sales Beginning May 27, 2012  
Revenue Based Upon Monthly DRS  
Excise Tax Reports**

June 2012	-5.37%	<u>Down</u>
July 1 2012 – August 1, 2012 –	21.37%	<u>Down</u>
July 1, 2012 – October 31, 2012 –	7.88%	<u>Down</u>
July 1, 2012 – December 31, 2012 –	1.47%	<u>Down</u>

2012 fiscal year ends June 30, 2013 total sales down \$189,816.00  
or -0.31% from year ending June 30, 2012



Massachusetts has Lower Excise Tax and NO SALES TAX on Alcohol.  
Operating Costs are lower in all our border states.  
Connecticut's Excise Tax increased 20% this past year.  
Connecticut Retailers paid a Floor Tax to tie all current  
inventory levels to the increased Excise Tax.

### Excise and Sales Tax on Distilled Liquor in Connecticut

**\$16.49**



Manufacturer  
Wholesale Markup

**\$4.62**

Retail Markup

**\$1.83**

State Excise Tax

**\$1.07**

State Sales Tax

**\$1.05**

Federal Tax/Fee

**\$2.14**

**750 ML**  
Goslings Rum

**\$23.99**



Manufacturer  
Wholesale Markup

**\$6.60**

Retail Markup

**\$2.20**

State Excise Tax

**\$1.43**

State Sales Tax

**\$1.52**

Federal Tax/Fee

**\$2.85**

**1 Liter**  
Jagermeister

**\$28.99**



Manufacturer  
Wholesale Markup

**\$7.21**

Retail Markup

**\$4.42**

State Excise Tax

**\$2.50**

State Sales Tax

**\$1.84**

Federal Tax/Fee

**\$4.99**

**1.75 ML**  
Jim Beam Bourbon

**\$56.99**



Manufacturer  
Wholesale Markup

**\$14.68**

Retail Markup

**\$2.08**

State Excise Tax

**\$2.50**

State Sales Tax

**\$3.61**

Federal Tax/Fee

**\$4.99**

**1.75 ML**  
Grey Goose Vodka

**State Department of Revenue Services  
Revenue Report Alcoholic Beverage Excise Taxes**

July 1, 2010

June 30, 2011 - \$48,922,769.31

(Up from \$48,196,509.00 ending on June 30, 2010 a 1.51% increase)

\*July 1, 2011

June 30, 2012 - \$60,595,454.74 a 23.86% increase

\*\*July 1, 2012

June 30, 2013 - \$60,405,645.00 a -0.31% decrease (-\$186,810.00)

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\*Reflects a 20% tax increase on all alcohol beverage excise taxes effective July 1, 2011. Includes also a floor tax on all alcohol in stock retroactive to January 2011, on all alcohol permittees payable in the 2012-2013 fiscal year to Department of Revenue Services.

\*\* May 2012 beginning of Sunday sales.

### Current CT, MA, NJ, NH and NY February price comparisons before sales tax

Note the difference in prices between the two large retailers in MA. MA and NH have no sales tax on alcohol so these prices wouldn't change.

Item	CT Min	Yankee Spirits (MA)	Note the difference in	Varmax Liq Pantry (NY)	NH	Liquor Outlet (NJ)
Bacardi 1.75	23.99	21.99	21.99	21.99		25.99
Barefoot 1.5	10.99	10.99	9.99	11.99	9.99	13.99
Johnnie Walker Black 750	35.99	36.99	37.99	39.99		39.99
Grey Goose 750	29.99	31.99	28.99	35.99	24.99	37.99
Beefeater 1.75	29.99	26.99	27.98	36.99	26.99	33.99
Stella Artois 2-12pk	26.58	27.99	27.96			30.98
Jose Cuervo Gold 750	18.99	21.99	22.99	18.99		19.99
Ravenswood Zinf 1.5	16.99	17.49	17.99	18.99		17.99
Crane Lake 1.5	7.99	7.99	8.99	9.99		8.49
Clos Du Bois Ch 1.5	18.99	18.99	18.99	21.99		19.99
Budweiser 30pk	19.99	23.99	19.98			
Jack Daniels 1.75	43.99	39.99	39.99	49.99		45.99
Ketel One 750	24.99	28.99	27.99	27.99	24.99	27.99
Santa Margherita PG 750	19.99	17.99	19.98	24.99		20.99
Patron Silver 750	39.99	46.99	45.98	49.99		42.99
Hennessy VS 1.75	62.99	62.99	74.98	79.99		61.99
Manischewitz Grape 750	3.99	4.99	4.99	5.99		5.49
Wild Turkey Honey 750	18.99	21.99	21.99	22.99	16.99	24.99
Veuve Cliquot 750	42.99	44.99	39.98	44.99		46.99
Skinny Girl Marg 750	10.99	9.99	13.99	10.99		12.99

**Sales Tax Loss of Revenue on Off Premises Alcohol Beverage Sales**

Total estimated sales tax revenue on off premises sales \$61.75 Million.

Reduction of \$2.00 (\$12.7 cents) per bottle on proportional reduction on a \$30.00 bottle equals 6.66% less in sales tax.

6.66% reduction applied to \$61.75 Million off premises sales tax equals \$4.1Million.

Additional sales needed to equalize revenue of \$4.1

Approximately \$66 Million

CT taxes on \$30.00 bottle

\$2.60 Excise Tax

\$1.90.5 Sales Tax

\$4.50.5 Total CT Tax