



House of Representatives

General Assembly

File No. 193

February Session, 2016

Substitute House Bill No. 5430

House of Representatives, March 24, 2016

The Committee on General Law reported through REP. BARAM of the 15th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT PERMITTING THE SALE OF PRIVATELY HELD ALCOHOLIC LIQUOR FOR AUCTION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2016*) Notwithstanding any
2 provision of title 30 of the general statutes, a fiduciary of a decedent's
3 estate may sell or transfer ownership of alcoholic liquor listed in an
4 inventory filed for such estate pursuant to section 45a-341 of the
5 general statutes, provided such sale or transfer is: (1) Approved in
6 writing by the Probate Court having jurisdiction of the estate, (2)
7 approved in writing by the Commissioner of Consumer Protection or
8 the commissioner's designee, and (3) made for the purposes of an
9 auction of the alcoholic liquor by an auctioneer licensed pursuant to
10 chapter 403 of the general statutes.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2016</i>	New section
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GL *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 17 \$	FY 18 \$
Revenue Serv., Dept.	GF - Potential Revenue Gain	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential minimal revenue gain in sales tax, to the extent that additional sales of liquor occur under the bill.

The bill allows an estate’s fiduciary to sell alcoholic liquor if the purpose is to have a state-licensed auctioneer auction the liquor. Under CGS 12-407(a)(12)(A) auctioneers are considered retailers of tangible personal property whether or not the auctioneer owns the property being sold, and must charge sales and use taxes on their gross receipts.

The impacts to the sales tax listed above would also result in corresponding impacts to the Municipal Revenue Sharing Account and the Special Transportation Fund.¹

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

¹ PA 15-244, as amended by PA 15-5 JSS and PA 15-1 DSS, requires a monthly transfer of a portion of the sales tax generated into the Municipal Revenue Sharing Account and the Special Transportation Fund. The general sales and use tax rate, from which the diversion occurs, remains at 6.35%.

OLR Bill Analysis

sHB 5430

AN ACT PERMITTING THE SALE OF PRIVATELY HELD ALCOHOLIC LIQUOR FOR AUCTION.

SUMMARY:

This bill establishes a narrow circumstance under which the sale or transfer of ownership of alcoholic liquor (i.e., beer, spirits, and wine) from a decedent's estate is exempt from the Liquor Control Act.

It allows the estate's fiduciary to sell or transfer alcoholic liquor listed in the estate inventory filed with the probate court, without a liquor permit, if the sale or transfer meets the following conditions: (1) the purpose is to have a state-licensed auctioneer auction the liquor, and (2) both the probate court with jurisdiction over the estate and the consumer protection commissioner, or his designee, have approved of the transaction in writing.

EFFECTIVE DATE: July 1, 2016

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 17 Nay 0 (03/11/2016)