

OFFICE OF FISCAL ANALYSIS

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sSB-647

AN ACT STREAMLINING THE LIQUOR CONTROL ACT.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
Department of Revenue Services	GF - Revenue Gain	At least 25,000	At least 50,000
Consumer Protection, Dept.	GF - Potential Revenue Gain	Under 2,500	Under 2,500

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill makes various changes to the Liquor Control Act and results in various revenue gains to the state.

Revenue Impact:

- Section 1 requires a manufacturer permittee for beer to pay the Alcohol Excise Tax for beer sold for on-premises consumption for amounts over 15 barrels,¹ which results in an estimated revenue gain of at least in \$25,000 in FY 20 and at least \$50,000 in FY 21 and annually thereafter.
- Section 4 allows gift basket permits to include beer and results in a potential revenue gain of under \$2,500 per year. In FY 18 there were 11 of these permits issued (a permit costs \$200) and it's anticipated this change will generate 10 or

¹ The bill does not specify if this is an annual or lifetime limit.

fewer new permits per year.

The bill also consolidates various alcohol permits while remaining revenue neutral resulting in no net impact to the state.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to growth in the number of barrels of beer sold for on-premises consumption and the number of permits.