

House Bill 2486

Sponsored by COMMITTEE ON BUSINESS AND LABOR (at the request of Oregon Winegrowers' Association)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides that bond required by Oregon Liquor Control Commission cover taxes on sale or use of agricultural products used by wineries. Allows commission to waive bond for wineries under certain circumstances.

A BILL FOR AN ACT

1
2 Relating to alcoholic beverages; amending ORS 471.155 and 473.065.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 471.155 is amended to read:

5 471.155. (1) The Oregon Liquor Control Commission shall provide for the licensing of persons
6 and cities within the state to manufacture, distribute, take orders for and sell spirits, wines, beer
7 and other alcoholic liquors. Except as provided in subsection (2) of this section, every licensee or
8 applicant for a brewery, winery, wholesale, warehouse, grower sales privilege or brewery-public
9 house license shall give, and at all times maintain on file with the commission, a bond with a cor-
10 porate surety authorized to transact business in this state. The bond shall be in form and amount
11 acceptable to the commission, shall be payable to the commission and conditioned that such licensee
12 or applicant will pay any fine imposed for any violation of any provision of the Liquor Control Act
13 and that the licensee or applicant will pay all license fees, privilege taxes, **taxes imposed under**
14 **ORS 473.045 and other** taxes on alcoholic liquors, together with penalties and interest thereon,
15 levied or assessed against the licensee or applicant under statutes relating to the importation,
16 manufacture, distribution, sale or taxation of alcoholic liquors in the State of Oregon.

17 (2) Under such conditions as the commission may prescribe, a brewery, winery, wholesale,
18 warehouse, grower sales privilege or brewery-public house licensee or applicant may deposit in lieu
19 of the bond required by subsection (1) of this section, the equivalent value in cash, bank letters of
20 credit recognized by the State Treasurer or negotiable securities of a character approved by the
21 State Treasurer. The deposit is to be made in a bank or trust company for the benefit of the com-
22 mission. Interest on deposited funds or securities shall accrue to the depositor.

23 **SECTION 2.** ORS 473.065 is amended to read:

24 473.065. (1) If a manufacturer's total tax liability under ORS 473.030 (1) in the previous calendar
25 year was less than \$1,000, the manufacturer may deposit with the Oregon Liquor Control Commis-
26 sion an amount in cash equal to the manufacturer's total tax liability under ORS 473.030 (1) for the
27 previous calendar year in lieu of the bond required by ORS 471.155 (1).

28 (2) If a manufacturer's actual tax liability under ORS 473.030 (1) is less than the amount de-
29 posited under subsection (1) of this section, the manufacturer may request that the commission re-
30 fund the excess funds or may apply those funds toward the manufacturer's tax liability under ORS
31 473.030 (1) for the next calendar year.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 (3) If a manufacturer's actual tax liability under ORS 473.030 (1) is greater than the amount
2 deposited under subsection (1) of this section, the manufacturer shall pay to the commission the
3 additional amount owed in the manner required under ORS 473.060.

4 (4) **Unless the commission determines that a winery licensee presents an unusual risk for**
5 **nonpayment of any license fees, privilege taxes, agricultural products taxes or other tax,**
6 **penalty or interest imposed under this chapter or ORS chapter 471, the commission shall**
7 **waive the bond required under ORS 471.155 (1) for the winery licensee if:**

8 (a) **The licensee was not liable for a privilege tax under this chapter in the immediately**
9 **preceding calendar year and does not expect to be liable for a privilege tax under this chapter**
10 **in the current calendar year; or**

11 (b) **The winery was established during the current calendar year and the licensee does**
12 **not expect to be liable for a privilege tax under this chapter in the current calendar year.**

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