

**REVENUE IMPACT OF
PROPOSED LEGISLATION
Seventy-Sixth Oregon Legislative
Assembly, 2011 Regular Session
Legislative Revenue Office**

Bill Number: HB 3219
Revenue Area: wine privilege tax
Economist: Mazen Malik
Date: 4/17/11

Measure Description:

Exempts certain small vintners from payment of wine privilege tax by expanding exemption to include calendar years in which vintner engages only in wine production activities other than fermentation.

Revenue Impact: This measure impacts the wine privilege tax; the revenue committee will examine this exemptions impact on the revenue from this tax.

Impact Explanation:

The wine privilege tax is assessed on the finished product, for the opportunity to conduct business in Oregon as a manufacturer or distributor. A winery is exempted from paying this tax if they produce less than 100,000 gallons; they may exempt the first 40,000 gallons sold. This statement is issued to facilitate the referral of this measure to the Revenue Committee.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is to establish that the wine privilege tax exemption includes a winery that during the calendar year in which it releases wines from bond.