

House Bill 3177

Sponsored by COMMITTEE ON REVENUE

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**.

Subjects certain small vintners to wine taxation by limiting exemption to smallest vintners.
Applies to wine tax reporting periods beginning on or after January 1, 2012.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to taxation of wine; creating new provisions; amending ORS 473.050; prescribing an effective date; and providing for revenue raising that requires approval by a three-fifths majority.

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

5 **SECTION 1.** ORS 473.050 is amended to read:

6 473.050. In computing any privilege tax imposed by ORS 473.030 or 473.035:

7 (1) No malt beverage, cider or wine is subject to tax more than once.

8 (2) No tax shall be levied, collected or imposed upon any malt beverage, cider or wine sold to
9 the Oregon Liquor Control Commission or exported from the state.

10 (3) No tax shall be levied, collected or imposed upon any malt beverage given away and consumed on the licensed premises of a brewery licensee, or sold to or by a voluntary nonincorporated
11 organization of army, air corps or navy personnel operating a place for the sale of goods pursuant
12 to regulations promulgated by the proper authority of each such service.

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14 (4) No tax shall be levied, collected or imposed upon any malt beverage, cider or wine determined by the commission to be unfit for human consumption or unsalable.

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16 (5) No tax shall be levied, collected or imposed upon [*the first 40,000 gallons, or 151,000 liters,*
17 **of] any wine sold [*annually in Oregon from a United States manufacturer of wines producing less than*
18 *100,000 gallons, or 379,000 liters, annually.*] **in Oregon from a United States manufacturer of**
19 **wines in any year in which the manufacturer produces fewer than 5,000 gallons, or 18,927 liters.**
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21 **SECTION 2.** The amendments to ORS 473.050 by section 1 of this 2011 Act apply to wine
22 tax reporting periods beginning on or after January 1, 2012.

23 **SECTION 3.** This 2011 Act takes effect on the 91st day after the date on which the 2011
24 session of the Seventy-sixth Legislative Assembly adjourns sine die.
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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.