

**Oregon Liquor Control
Commission (OLCC)
Revenue: (Alcohol)**

Taxes are imposed on beer and wine manufactured or distributed in Oregon. The current rates are \$2.60 per 31 gallon barrel (8.4¢ per gallon) of beer, Tax on wine is 67¢ per gallon, and 77¢ per gallon for dessert wine (14% to 21% alcohol content). Two cents of the wine tax goes to the Wine Board, 50% of the remaining beer and wine taxes go to Mental Health and Drug Abuse Prevention, and the balance goes into the OLCC Account. Beverages with 21% or more alcohol are exclusively imported and distributed by the state of Oregon. Currently OLCC sets retail prices, on average, at 104% above cost (including shipping, and federal taxes). The net revenue from these operations goes into the OLCC account. Available revenue in the OLCC account is distributed 56% to state General Fund, 10% to counties by population, 20% to cities by population, and 14% to cities by formula. A surcharge of 50¢ is a temporary add on for the last three budget periods, and generates approximately \$30.0 million a biennium.

OLCC REVENUE (Millions)

Fiscal Year	Beer & Wine Tax		Liquor		Net Liquor	
	Revenue	Change	Sales	Change	Revenue	Change
1991-92	10.7		83.3		61.6	
1992-93	11.0	2.2%	85.2	2.3%	62.2	1.0%
1993-94	10.6	-3.6%	89.7	5.3%	65.2	4.8%
1994-95	10.6	0.2%	90.1	0.4%	65.9	1.1%
1995-96	11.2	6.0%	93.4	3.7%	67.7	2.7%
1996-97	11.8	4.7%	97.1	4.0%	70.9	4.7%
1997-98	12.0	2.4%	102.4	5.5%	73.8	4.1%
1998-99	12.1	0.4%	107.8	5.3%	76.5	3.7%
1999-00	12.4	2.4%	116.1	7.7%	84.8	10.8%
2000-01	12.5	0.9%	121.7	4.8%	85.8	1.2%
2001-02	12.7	1.5%	127.8	5.0%	93.0	8.4%
2002-03	13.3	5.0%	134.4	5.2%	97.1	4.4%
2003-04	13.7	2.6%	145.1	7.9%	107.3	10.4%
2004-05	14.0	2.2%	155.0	6.8%	111.1	3.5%
2005-06	14.8	6.3%	172.2	11.1%	126.1	13.5%
2006-07	15.2	2.3%	187.1	8.7%	130.8	3.8%
2007-08	16.1	6.2%	199.2	6.5%	141.1	7.9%
2008-09	16.1	-0.4%	207.9	4.4%	151.9	7.6%
2009-10	16.6	3.3%	215.6	3.7%	159.8	5.2%
2010-11	16.2	-2.4%	224.1	4.0%	162.2	1.5%
2011-12	17.3	7.0%	238.5	6.4%	180.0	11.0%
2012-13	16.4	-5.2%	254.9	6.9%	189.1	5.1%
2013-14	17.5	6.4%	264.0	3.6%	196.3	3.8%
2014-15	17.7	1.3%	278.0	5.3%	206.1	5.0%
2015-16	18.3	3.4%	292.4	5.2%	211.7	2.7%

OLCC REVENUE DISTRIBUTIONS (Millions)

Fiscal Year	Wine Board	Mental Health	General Fund	Counties	Cities
1991-92	0.10	5.20	36.30	6.50	22.00
1992-93	0.20	5.40	38.00	6.80	23.10
1993-94	0.10	5.20	40.60	7.10	24.10
1994-95	0.10	5.20	41.30	7.40	25.10
1995-96	0.20	5.50	37.30	6.70	22.70
1996-97	0.20	5.80	48.90	8.70	29.70
1997-98	0.20	6.00	45.30	8.10	27.50
1998-99	0.20	5.90	45.70	8.20	27.70
1999-00	0.20	6.00	51.40	9.20	31.20
2000-01	0.20	6.17	52.49	9.37	31.87
2001-02	0.20	6.25	54.75	9.77	33.23
2002-03	0.20	6.56	60.11	10.20	34.68
2003-04	0.21	6.73	62.85	11.22	38.16
2004-05	0.22	6.87	65.59	11.64	39.59
2005-06	0.23	7.31	74.01	13.22	44.93
2006-07	0.24	7.47	75.09	13.38	45.61
2007-08	0.26	7.93	82.66	14.76	50.19
2008-09	0.26	7.98	93.93	15.86	53.92
2009-10	0.27	8.28	97.32	15.02	51.06
2010-11	0.27	7.97	101.25	15.64	53.17
2011-12	0.28	8.30	110.20	17.12	58.20
2012-13	0.28	8.05	115.36	17.94	60.98
2013-14	0.29	8.63	121.43	18.97	64.49
2014-15	0.29	8.72	125.96	19.71	67.00
2015-16	0.31	8.99	127.42	19.87	67.55

The OLCC is also tasked to implement the Marijuana legalization initiative (Measure 91) that was passed in 2014. That implementation was redesigned by HB3400 of the 2015 session. The tax was changed to a 17% point of sale with 3% optional tax for local governments starting in 2017. When fully implemented the revenue is likely to reach \$ 40 million in an average biennium.

The early start program allowed for marijuana to be sold and taxed during the calendar year 2016. Early start was allowed medical dispensaries to sell to the public with a 25% tax rate. The early start program brought in about \$60 million in tax proceeds. After deductions for collection and administration costs, revenue will be divided among six statutorily specified distributions. Drug abuse and prevention will get 5% of funds, cities and counties will each get 10% as a group, 15% goes the state police, 20% to mental health account, and 40% to the common school fund.

EXCISE TAX RATES AS OF JANUARY 1, 2017

Ranked by Sum of Excise and Sales Tax Rates (Dollars)

Rank	Malt Liquor (Beer) per Gallon			Table Wine (14% alcohol) per Gallon			State Tax Rates On Distilled Spirits		
	State	Excise	Sales	State	Excise	Sales	State	Excise	Sales
1	Tennessee	1.290	0.700	Florida	2.25	2.40	Alabama	note (1)	Yes
2	South Carolina	0.770	0.600	Rhode Island	1.40	2.80	Alaska	12.80	n.a.
3	Hawaii	0.930	0.400	Iowa	1.75	2.40	Arizona	3.00	Yes
4	Mississippi	0.427	0.700	Tennessee	1.21	2.80	Arkansas	2.50	Yes
5	North Carolina	0.617	0.475	Illinois	1.39	2.50	California	3.30	Yes
6	Florida	0.480	0.600	New Mexico	1.70	2.00	Colorado	2.28	Yes
7	Alaska	1.070	0.000	New Jersey	0.88	2.80	Connecticut	5.40	Yes
8	California	0.200	0.825	Virginia	1.51	2.00	Delaware	3.75	n.a.
9	Alabama	0.530	0.400	California	0.20	3.30	Florida	6.50	Yes
10	Washington	0.260	0.650	Washington	0.87	2.60	Georgia	3.79	Yes
11	New Mexico	0.410	0.500	Nevada	0.70	2.74	Hawaii	5.98	Yes
12	Utah	0.410	0.470	West Virginia	1.00	2.40	Idaho	note (1)	Yes
13	Nebraska	0.310	0.550	Alabama	1.70	1.60	Illinois	8.55	Yes
14	Illinois	0.231	0.625	South Carolina	0.90	2.40	Indiana	2.68	Yes
15	Maine	0.350	0.500	Indiana	0.47	2.80	Iowa	note (1)	Yes
16	Oklahoma	0.400	0.450	Mississippi	0.35	2.80	Kansas	2.50	--
17	Nevada	0.160	0.685	Nebraska	0.95	2.20	Kentucky	1.92	Yes
18	Connecticut	0.240	0.600	Arkansas	0.75	2.40	Louisiana	3.03	Yes
19	Minnesota	0.150	0.688	Connecticut	0.72	2.40	Maine	note (1)	Yes
20	Arkansas	0.230	0.600	Georgia	1.51	1.60	Maryland	1.50	Yes
21	Texas	0.200	0.625	Arizona	0.84	2.24	Massachusetts	4.05	--
22	New Jersey	0.120	0.700	Minnesota	0.30	2.75	Michigan	note (1)	Yes
23	Indiana	0.115	0.700	Hawaii	1.38	1.60	Minnesota	5.03	--
24	Rhode Island	0.110	0.700	Vermont	0.55	2.40	Mississippi	note (1)	Yes
25	Louisiana	0.400	0.400	Michigan	0.51	2.40	Missouri	2.00	Yes
26	Michigan	0.200	0.600	North Carolina	1.00	1.90	Montana	note (1)	n.a.
27	Iowa	0.190	0.600	Idaho	0.45	2.40	Nebraska	3.75	Yes
28	West Virginia	0.180	0.600	Maryland	0.40	2.40	Nevada	3.60	Yes
29	Virginia	0.260	0.500	Texas	0.20	2.50	New Hampshire	note (1)	n.a.
30	Idaho	0.150	0.600	Dist. of Columbia	0.30	2.40	New Jersey	5.50	Yes
31	Ohio	0.180	0.550	Maine	0.60	2.00	New Mexico	6.06	Yes
32	Arizona	0.160	0.560	South Dakota	0.93	1.60	New York	6.44	Yes
33	Georgia	0.320	0.400	Ohio	0.32	2.20	North Carolina	note (1)	Yes (2)
34	Kansas	0.180	0.530	Oklahoma	0.72	1.80	North Dakota	2.50	--
35	Dist. of Columbia	0.090	0.600	Alaska	2.50	0.00	Ohio	note (1)	Yes
36	Maryland	0.090	0.600	North Dakota	0.50	2.00	Oklahoma	5.56	Yes
37	Pennsylvania	0.080	0.600	Pennsylvania	0.00	2.40	Oregon	note (1)	n.a.
38	South Dakota	0.270	0.400	Louisiana	0.76	1.60	Pennsylvania	note (1)	Yes
39	North Dakota	0.160	0.500	Wisconsin	0.25	2.00	Rhode Island	5.40	Yes
40	Wisconsin	0.060	0.500	Missouri	0.42	1.69	South Carolina	2.72	Yes
41	New York	0.140	0.400	New York	0.30	1.60	South Dakota	3.93	Yes
42	Missouri	0.060	0.423	Utah		1.88	Tennessee	4.40	Yes
43	Wyoming	0.020	0.400	Wyoming	0.00	1.60	Texas	2.40	Yes
44	Colorado	0.080	0.290	Colorado	0.28	1.16	Utah	note (1)	Yes
45	New Hampshire	0.300	0.000	Montana	1.02	0.00	Vermont	note (1)	no
46	Vermont	0.265	0.000	Delaware	0.97	0.00	Virginia	note (1)	Yes
47	Delaware	0.160	0.000	Oregon	0.67	0.00	Washington (3)	14.27	--
48	Montana	0.140	0.000	Massachusetts	0.55	0.00	West Virginia	note (1)	Yes
49	Massachusetts	0.110	0.000	Kentucky	0.50	0.00	Wisconsin	3.25	Yes
50	Kentucky	0.080	0.000	Kansas	0.30	0.00	Wyoming	note (1)	Yes
51	Oregon	0.080	0.000	New Hampshire	0.30	0.00	Dist. of Columbia	1.50	--

Source: Excise tax rates from Federation of Tax Administrators (web).
Sales tax rates assume \$11 per gallon for beer, \$40 a gallon for wine.

n.a. = not applicable. These 5 states do not have
(1) In 17 states, the government directly controls Revenue in these states is generated from various taxes, fees, price mark-ups, and net liquor
(2) General sales tax applies to on-premise sales
(3) Washington privatized liquor sales effective June 1, 2017