

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
79th Oregon Legislative Assembly
2018 Regular Session
Legislative Revenue Office

Bill Number:	SB 1564 - 2
Revenue Area:	Alcohol Revenue
Economist:	Mazen Malik
Date:	02-12-2018

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description:

Allows distillery licensee to apply for tasting room permit.

Revenue Impact:

Revenue reductions in the following amounts

<i>Fund</i>	<i>2017-19</i>	<i>2019-2021</i>	<i>2021-2023</i>
<i>General Fund</i>	\$(737,805)	\$(2,107,172)	\$(526,793)
<i>Incorporated Cities</i>	\$(238,786)	\$(681,973)	\$(170,493)
<i>City Revenue Sharing</i>	\$(167,150)	\$(477,381)	\$(119,345)
<i>Counties</i>	\$(119,393)	\$(340,986)	\$(85,247)
Total	\$(1,263,134)	\$(3,607,511)	\$(901,878)

General fund amounts include surcharge

Impact Explanation:

Allows distillery licensees a tasting room permit which allows distilleries to make package liquor sales directly to the public. Those sales however, are capped at \$250,000 per year, per tasting room. There are about 55 entities that qualify today, and more are expected to take advantage of the new setup. Allows Certificate of Distillery license holders located outside of Oregon to establish tasting rooms in Oregon that are eligible for the @250,000 direct sales privilege.

Liquor retail sales from distilleries do not remit retail sales minus cost of goods to the Liquor Control Commission and distilleries are not compensated by Oregon's liquor agent compensation structure.

Sunsetts the provisions in sections 2 and 3 on January 2, 2022.

Creates, Extends, or Expands Tax Expenditure: Yes No

T