

Oregon Liquor Control Commission (OLCC)

Alcohol Revenue

Taxes are imposed on beer and wine manufactured or distributed in Oregon. The current rates are \$2.60 per barrel (8.4¢ per gallon) of beer. The 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 go to the Wine Board, 50% of the remaining wine and beer 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 105% above cost (including shipping, and federal taxes). The net revenue from the liquor operations goes into the OLCC account. Revenue in the OLCC account is distributed 56% to the state General Fund, 10% to counties by population, 20% to cities by population, and 14% to cities by formula. Alcohol License fees generate about \$21 million a biennium and they are primarily utilized in covering portions of the OLCC operations. A surcharge of 50¢ is a temporary add on for the last four budget periods and generates approximately \$40 million a biennium. Liquor sales experienced robust growth since 2020 (10% on average during the COVID years), however, net liquor revenue in 2022 decreased 3.8% because the liquor store agents and the distillery retail outlets received an increase in their compensation rate, where average rate went from 9.1% to about 10.4%.

OLCC ALCOHOL REVENUE (Millions)

OLCC REVENUE DISTRIBUTIONS (Millions)

Fiscal Year	Beer&Wine Tax		Liquor		Net Liquor		Fiscal Year	Wine Board	Mental Health	General Fund	Counties	Cities
	Revenue	Change	Sales	Change	Revenue	Change						
1991-92	10.7		83.3		61.6		0.10	5.20	36.30	6.50	22.00	
1992-93	11.0	2.8%	85.2	2.3%	62.2	1.0%	0.20	5.40	38.00	6.80	23.10	
1993-94	10.6	-3.6%	89.7	5.3%	65.2	4.8%	0.10	5.20	40.60	7.10	24.10	
1994-95	10.6	0.0%	90.1	0.4%	65.9	1.1%	0.10	5.20	41.30	7.40	25.10	
1995-96	11.2	5.7%	93.4	3.7%	67.7	2.7%	0.20	5.50	37.30	6.70	22.70	
1996-97	11.8	5.4%	97.1	4.0%	70.9	4.7%	0.20	5.80	48.90	8.70	29.70	
1997-98	12.0	1.7%	102.4	5.5%	73.8	4.1%	0.20	6.00	45.30	8.10	27.50	
1998-99	12.1	0.8%	107.8	5.3%	76.5	3.7%	0.20	5.90	45.70	8.20	27.70	
1999-00	12.4	2.5%	116.1	7.7%	84.8	10.8%	0.20	6.00	51.40	9.20	31.20	
2000-01	12.5	0.8%	121.7	4.8%	85.8	1.2%	0.20	6.17	52.49	9.37	31.87	
2001-02	12.7	1.6%	127.8	5.0%	93.0	8.4%	0.20	6.25	54.75	9.77	33.23	
2002-03	13.3	4.7%	134.4	5.2%	97.1	4.4%	0.20	6.56	60.11	10.20	34.68	
2003-04	13.7	2.7%	145.1	7.9%	107.3	10.4%	0.21	6.73	62.85	11.22	38.16	
2004-05	14.0	2.2%	155.0	6.8%	111.1	3.5%	0.22	6.87	65.59	11.64	39.59	
2005-06	14.8	6.3%	172.2	11.1%	126.1	13.5%	0.23	7.31	74.01	13.22	44.93	
2006-07	15.2	2.4%	187.1	8.7%	130.8	3.8%	0.24	7.47	75.09	13.38	45.61	
2007-08	16.1	5.9%	199.2	6.5%	141.1	7.9%	0.26	7.93	82.66	14.76	50.19	
2008-09	16.3	1.5%	207.9	4.4%	151.9	7.6%	0.26	7.98	93.93	15.86	53.92	
2009-10	16.8	2.6%	215.6	3.7%	159.8	5.2%	0.27	8.28	97.32	15.02	51.06	
2010-11	16.2	-3.3%	224.1	4.0%	162.2	1.5%	0.27	7.97	101.25	15.64	53.17	
2011-12	16.9	4.3%	238.5	6.4%	180.0	11.0%	0.28	8.30	110.20	17.12	58.20	
2012-13	16.4	-3.0%	254.9	6.9%	189.1	5.1%	0.28	8.05	115.36	17.94	60.98	
2013-14	17.6	7.3%	264.0	3.6%	196.3	3.8%	0.29	8.63	121.43	18.97	64.49	
2014-15	17.7	0.6%	278.0	5.3%	207.1	5.5%	0.29	8.72	125.96	19.71	67.00	
2015-16	18.3	3.4%	292.4	5.2%	215.6	4.1%	0.31	8.99	127.42	19.87	67.55	
2016-17	18.8	2.9%	301.9	3.2%	218.2	1.2%	0.32	9.25	137.02	21.48	73.04	
2017-18	18.4	-2.3%	319.1	5.7%	234.2	7.3%	0.31	9.03	143.89	22.59	76.82	
2018-19	19.2	4.2%	336.9	5.6%	247.5	5.7%	0.33	9.40	151.88	23.87	81.17	
2019-20	18.3	-4.7%	371.1	10.2%	271.4	9.7%	0.32	8.96	163.18	25.75	87.56	
2020-21	17.7	-3.1%	403.0	8.6%	294.5	8.5%	0.33	8.69	179.69	28.63	97.35	
2021-22	21.8	19.3%	413.3	11.4%	283.3	-3.8%	0.36	10.67	176.70	28.08	95.48	

EXCISE TAX RATES AS OF JANUARY 1, 2023

Ranked by Sum of Excise and State Sales Tax (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	1.287	0.875	Florida	2.25	2.70	Alabama	note (1)	Yes
2	South Carolina	0.768	0.750	Rhode Island	1.40	3.15	Alaska	12.80	n.a.
3	Hawaii	0.930	0.500	Iowa	1.75	2.70	Arizona	3.00	Yes
4	Mississippi	0.427	0.875	Tennessee	1.21	3.15	Arkansas	2.50	Yes
5	Florida	0.480	0.750	Illinois	1.39	2.81	California	3.30	Yes
6	North Carolina	0.617	0.594	New Mexico	1.70	2.25	Colorado	2.28	Yes
7	Utah	0.423	0.763	Virginia	1.51	2.39	Connecticut	5.94	Yes
8	California	0.200	0.906	New Jersey	0.88	2.98	Delaware	4.50	n.a.
9	Washington	0.261	0.813	Washington	0.87	2.93	Florida	6.50	Yes
10	Alaska	1.070	0.000	Nevada	0.70	3.08	Georgia	3.79	Yes
11	Arkansas	0.234	0.813	West Virginia	1.00	2.70	Hawaii	5.98	Yes
12	Maine	0.350	0.688	Arkansas	0.75	2.93	Idaho	note (1)	Yes
13	New Mexico	0.410	0.625	Connecticut	0.79	2.86	Illinois	8.55	Yes
14	Connecticut	0.240	0.794	Indiana	0.47	3.15	Indiana	2.68	Yes
15	Alabama	0.533	0.500	South Carolina	0.90	2.70	Iowa	note (1)	Yes
16	Nevada	0.160	0.856	Mississippi	0.35	3.15	Kansas	2.50	--
17	Vermont	0.265	0.750	Alabama	1.70	1.80	Kentucky	1.92	Yes
18	Illinois	0.231	0.781	California	0.20	3.26	Louisiana	3.03	Yes
19	Minnesota	0.148	0.859	Nebraska	0.95	2.48	Maine	note (1)	Yes
20	Nebraska	0.310	0.688	Minnesota	0.30	3.09	Maryland	1.50	Yes
21	Kansas	0.180	0.813	Massachusetts	0.55	2.81	Massachusetts	4.05	--
22	Indiana	0.115	0.875	Arizona	0.84	2.52	Michigan	note (1)	Yes
23	Rhode Island	0.106	0.875	Georgia	1.51	1.80	Minnesota	5.03	--
24	Texas	0.194	0.781	Vermont	0.55	2.70	Mississippi	note (1)	Yes
25	Oklahoma	0.403	0.563	Kansas	0.30	2.93	Missouri	2.00	Yes
26	Louisiana	0.403	0.556	Michigan	0.51	2.70	Montana	note (1)	n.a.
27	Michigan	0.203	0.750	Kentucky	0.50	2.70	Nebraska	3.75	Yes
28	New Jersey	0.120	0.828	Hawaii	1.38	1.80	Nevada	3.60	Yes
29	Iowa	0.190	0.750	Idaho	0.45	2.70	New Hampshire	note (1)	n.a.
30	West Virginia	0.177	0.750	North Carolina	1.00	2.14	New Jersey	5.50	Yes
31	Virginia	0.256	0.663	Maryland	0.40	2.70	New Mexico	6.06	Yes
32	Idaho	0.150	0.750	Maine	0.60	2.48	New York	6.44	Yes
33	Ohio	0.180	0.719	Texas	0.20	2.81	North Carolina	note (1)	Yes (2)
34	Massachusetts	0.106	0.781	Dist. of Columbia	0.30	2.70	North Dakota	2.50	--
35	Arizona	0.160	0.700	South Dakota	0.93	2.03	Ohio	note (1)	Yes
36	Dist. of Columbia	0.090	0.750	Ohio	0.30	2.59	Oklahoma	5.56	Yes
37	Maryland	0.090	0.750	Louisiana	0.76	2.00	Oregon	note (1)	n.a.
38	South Dakota	0.274	0.563	North Dakota	0.50	2.25	Pennsylvania	note (1)	Yes
39	Kentucky	0.081	0.750	Utah		2.75	Rhode Island	5.40	Yes
40	Pennsylvania	0.080	0.750	Oklahoma	0.72	2.03	South Carolina	2.72	Yes
41	Georgia	0.323	0.500	Pennsylvania	0.00	2.70	South Dakota	3.93	Yes
42	North Dakota	0.160	0.625	Wisconsin	0.25	2.25	Tennessee	4.40	Yes
43	Wisconsin	0.065	0.625	Alaska	2.50	0.00	Texas	2.40	Yes
44	New York	0.140	0.500	Missouri	0.42	1.90	Utah	note (1)	Yes
45	Missouri	0.060	0.528	New York	0.30	1.80	Vermont	note (1)	no
46	Wyoming	0.019	0.500	Alabama	0.00	1.80	Virginia	note (1)	Yes
47	Colorado	0.080	0.363	Delaware	1.63	0.00	Washington (3)	14.27	--
48	New Hampshire	0.300	0.000	Colorado	0.28	1.31	West Virginia	note (1)	Yes
49	Delaware	0.263	0.000	Montana	1.02	0.00	Wisconsin	3.25	Yes
50	Montana	0.139	0.000	Oregon	0.67	0.00	Wyoming	note (1)	Yes
51	Oregon	0.084	0.000	New Hampshire	0.30	0.00	Dist. of Columbia	1.50	--

Source: Excise tax rates from Federation of Tax Administrators (web).

State Sales Tax from FTA sales tax (no local rates)
Sales tax rates assume \$12.5 per gallon for beer, \$45 a gallon for wine.

n.a. = not applicable. These 5 states do not have a general sales tax.

(1) In 17 states, the government directly controls the sales of distilled spirits. Revenue in these states is generated from various taxes, fees, price mark-ups, and net liquor profits.

(2) General sales tax applies to on-premise sales only.

(3) Washington privatized liquor sales effective June 1, 2012.