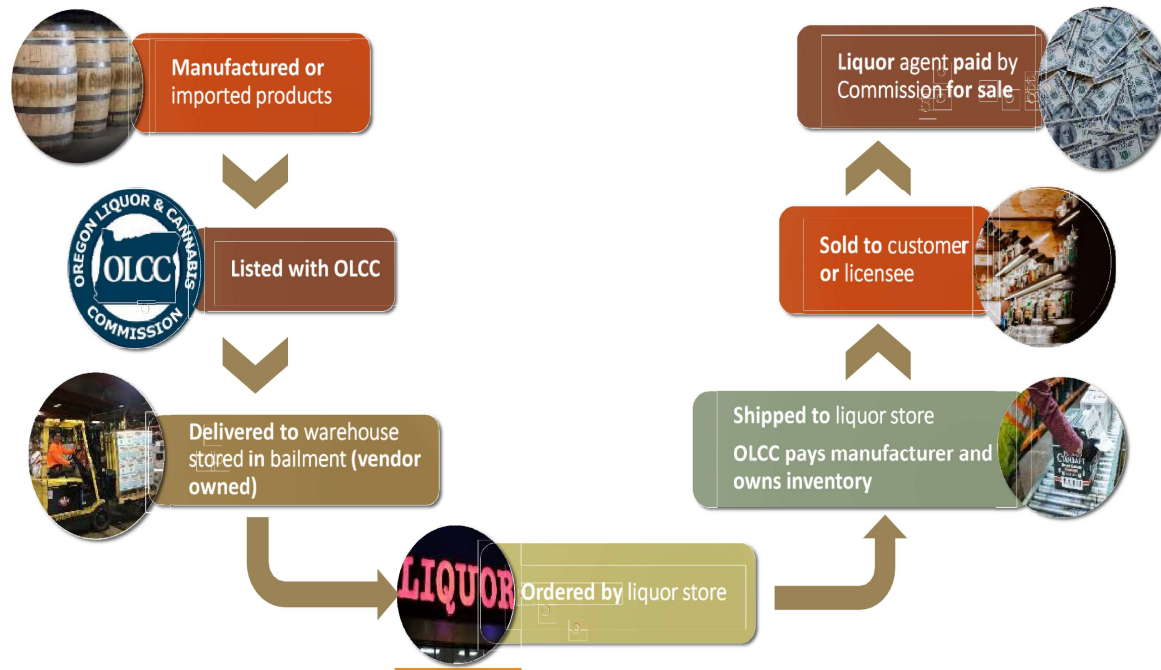


# Distilled Sprits

Mazen Malik, Senior Economist  
Legislative Revenue Office  
January-2026

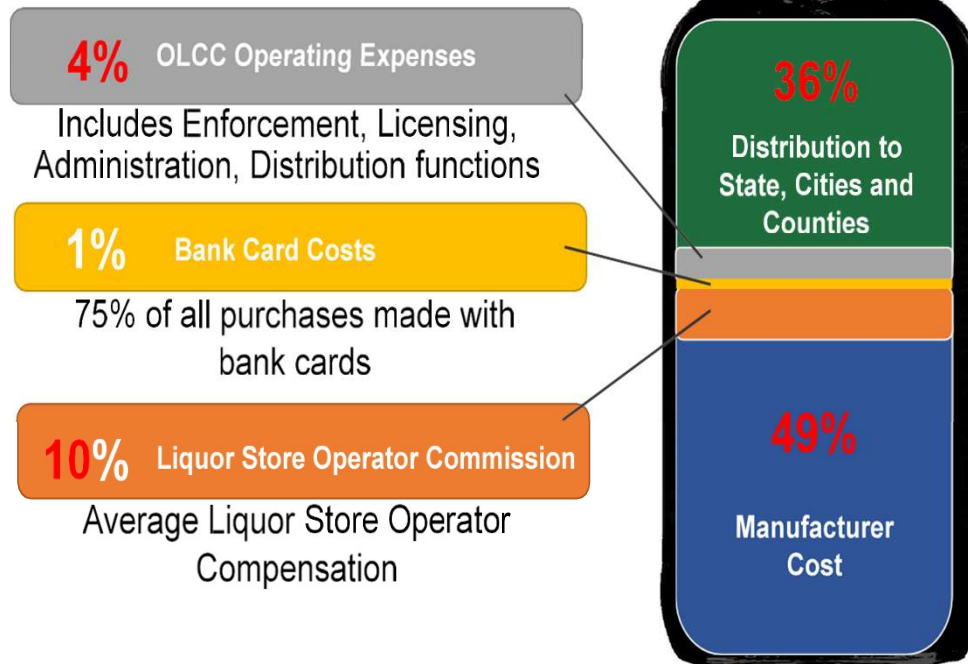


## HOW DISTILLED SPIRITS FLOW IN OREGON



## Distilled Spirits Model

Based on Average \$17 Bottle Price



# Liquor Revenue Sources Available for Distribution

- **Net profit on distilled liquor sales (\$750 million per biennium)**
  - 36% of the gross sales of bottle of liquor
- **Wine and Beer Tax (\$40 million per biennium)**
  - \$0.67 per gallon for table wine (less than 14% ABV)
    - 2 cents per gallon goes to the Oregon Wine Board
  - \$0.77 per gallon for fortified wine (greater than 14%)
    - 2 cents per gallon goes to the Oregon Wine Board
  - \$0.08 per gallon for malt beverage
- **Liquor License Fees (\$18 million per biennium)**



# DISTRIBUTION FORMULA

- **Privilege Tax**
  - 2¢ of Wine Tax to Wine Board (1984)
  - Balance of Wine Tax + Beer Tax
    - 50% to Mental Health
    - 50% included in OLCC Distribution
- **OLCC Net Revenue** (including the 50%)
  - 56% to State General Fund
  - 10% to Counties by Population
  - 20% to Cities by Population
  - 14% to Cities by Formula (1977) (ORS 221.770)