

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4726-01  
Bill No.: HB 2065  
Subject: Alcohol: Taxation and Revenue  
Type: Original  
Date: March 11, 2002

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Marketing Development	\$369,367	\$492,489	\$492,489
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$369,367</b>	<b>\$492,489</b>	<b>\$492,489</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials of the **Department of Revenue**, the **Department of Agriculture**, and the **Department of Public Safety - Division of Liquor Control** indicated that they would not request any additional resources due to this proposal.

Officials of the Division of Liquor Control stated that they collected taxes on 8,208,143 gallons of wine in FY 2001. An additional six cents per gallon would have raised \$492,489, assuming that the additional tax would not have influenced sales of wine.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>MARKETING DEVELOPMENT FUND</b>			
<u>Income</u> - Additional Charges on Wine Sales	\$369,367	\$492,489	\$492,489
<b>ESTIMATED NET EFFECT ON MARKETING DEVELOPMENT FUND</b>	<b><u>\$369,367</u></b>	<b><u>\$492,489</u></b>	<b><u>\$492,489</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL IMPACT - Small Business**

Small business which sell (or buy) wine would be affected by this proposal.

**DESCRIPTION**

This proposal would add an additional six cent per gallon charge for the privilege of selling wine in Missouri. This additional charge would be deposited to the credit of a separate account in the Marketing Development Fund and would be appropriated annually to the Missouri Department of Agriculture's division which is concerned the research and advisement of grapes and grape products. Moneys could be used to employ experts in the fields of viticulture (the study of grapes) and enology (the study of wine and the making of wine).

**DESCRIPTION** (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This legislation would affect Total State Revenue.

SOURCES OF INFORMATION

Department of Agriculture  
Department of Public Safety - Division of Liquor Control  
Department of Revenue



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Acting Director  
March 11, 2002