



**FISCAL NOTE**

**Senate Bill 259**

Committee: Tourism

Sponsor: Senator Bobby Singleton

Analyst: Tiffany Weaver

Date: 04/17/2024

**Senate Bill 259** as introduced would create wholesaler and retail licenses to be issued by the Alcoholic Beverage Control (ABC) Board, to distribute and sell mixed spirit beverages. This could increase receipts to the State General Fund by an estimated \$3.2 million annually from license fees as follows:

<u>License Type</u>	<u>Initial &amp; Renewal License Fees</u>
Mixed spirit beverage wholesaler license	\$550 plus \$200 for each additional warehouse
Beer, wine, and mixed spirit beverage wholesaler license	\$1,000 plus \$200 for each additional warehouse
Limited mixed spirit beverage expanded retail license	\$300

Further, this bill levies a privilege or excise tax on the sales of mixed spirit beverages at \$.68 per 12 fluid ounces or fractional part thereof, which would be distributed as follows:

- State General Fund - \$0.45 per 12 fluid ounces
- ABC Board - \$0.07 per 12 fluid ounces
- Alabama Law Enforcement Agency / ABC Board - \$0.10 per 12 fluid ounces
- Treasury of the municipality or county where sold - \$0.08 per 12 fluid ounces.

According to the Board, estimated tax receipts generated from this new tax levy would result in an estimated loss of \$890,000 annually.