

FISCAL NOTE

HB 3568 - SB 3727

March 13, 2006

SUMMARY OF BILL: Amends the definition of a “community theater” to allow for the on-premise consumption of liquor at the Newport Tennessee Theatre Guild in Cocke County as specifically defined.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant
Increase State Revenues – Not Significant
Increase Local Govt. Revenues – Not Significant

Assumptions:

- No additional personnel or resources will be needed by the Alcoholic Beverage Commission.
- Annual license fee of \$2,000 to the State and \$1,500 to local government.
- Upon licensing, entity will be assessed state and local sales taxes on alcoholic beverage sales, 15% liquor-by-the-drink tax on each alcoholic beverage sold and any applicable county or city privilege tax.
- Applies only to a community theater:
 1. Operated by a not-for-profit corporation which is exempt from taxation under § 501(c) of the Internal Revenue Code of 1954.
 2. Located within a municipality that has authorized the sale of alcoholic beverages on premises by referendum having a population of not less than 33,525 and not more than 33,600 according to the 2000 Federal Census or any subsequent federal census (Cocke County).
 3. Located in a building that is 80 years old with a performance hall seating approximately 250 persons.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director