

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1748 – SB 1748

May 16, 2011

SUMMARY OF AMENDMENTS (00624372, 00814172): Deletes the original bill. Authorizes the East Fork Stables in Fentress County to sell alcoholic beverages for on-premises consumption. Authorizes a recreational facility located on or near the 482 mile marker on the Tennessee River having a restaurant with at least 4,200 square feet to sell alcoholic beverages for on-premises consumption.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue – \$300/One-Time/ABC Fund
\$2,000/Recurring/ABC Fund
Not Significant/Recurring/General Fund

Increase State Expenditures – Not Significant

Increase Local Revenue – \$1,500/Recurring Permissive
Increase Local Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase State Revenue – \$600/One-Time/ABC Fund
\$2,200/Recurring/ABC Fund
Not Significant/Recurring/General Fund

Increase State Expenditures – Not Significant

Increase Local Revenue – \$1,800/Recurring Permissive
Increase Local Expenditures – Not Significant

Assumptions applied to amendments:

- The provisions of this bill apply to one establishment in Fentress County and one establishment along the Tennessee River in Hamilton County.
- There is a \$300 one-time initial license application fee for each establishment and a \$2,000 annual license fee for the establishment in Fentress County and a \$150 annual license fee for the establishment in Hamilton County.
- The total one-time increase to the Alcoholic Beverage Commission (ABC) Fund will be \$600 (\$300 x 2). The total recurring increase to the ABC Fund will be \$2,150 (\$2,000 + \$150).

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- No additional personnel or resources will be required by the ABC.
- Local privilege tax in Fentress County is \$1,500 annually and \$300 annually in Hamilton County resulting in a recurring permissive increase to local revenue of \$1,800 (\$1,500 + \$300). Any increase in local government expenditures for collecting local privilege taxes is estimated to be not significant.
- Entities will be assessed state and local sales taxes on alcoholic beverage sales, a 15 percent liquor-by-the-drink tax on each alcoholic beverage sold, and any applicable county or city privilege tax. These taxes will not have a significant state or local fiscal impact.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "James W. White" followed by a stylized flourish that appears to be "j+h".

James W. White, Executive Director

/agl