

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 651 - SB 785**

March 2, 2017

**SUMMARY OF BILL:** Creates a special event license for tax-exempt entities, pursuant to 26 U.S.C § 501(c), to serve alcoholic beverages for entities licensed to conduct a defined festival or special event over a time period not to exceed five days. Requires a \$50 privilege tax be paid to the Alcoholic Beverage Commission (ABC) for each day the license is issued.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Revenue – \$5,000/ABC**

Assumptions:

- Pursuant to Tenn. Code Ann. § 57-4-102(32), a special occasion license is \$100 under current law.
- Certain entities that would obtain a special occasion license under current law will be able to obtain the new special event license under the provisions of this bill.
- The newly-created special event license will be \$50, a decrease in \$50 per license compared to the current special occasion license (\$100 - \$50).
- Based on information provided by ABC, there are approximately 100 licenses issued annually that will be eligible for the new license at a lower fee.
- The recurring decrease in state revenue to ABC is estimated to be \$5,000 (\$50 x 100 licenses).

**CERTIFICATION:**

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

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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