

Fiscal Estimate Narratives

DHFS 6/28/2005

LRB Number 05-2351/1	Introduction Number AB-455	Estimate Type Original
Subject Increasing the tax on malt beverages to fund alcohol treatment programs		

Assumptions Used in Arriving at Fiscal Estimate

This bill increases the tax rate for the tax on malt beverages from \$2 per barrel to \$3 per barrel. In addition, an amount of the taxes collected on malt beverages equal to 25 cents per barrel will be used for alcohol and drug abuse initiatives and an amount of the taxes equal to 75 cents per barrel will be used for community aids related to alcohol abuse services.

S. 20.435(7)(b) provides funds for Community Aids payments to counties for community human and social services programs. S. 20.435(6)(gb) provides for funds to be expended on programs providing prevention, intervention, and treatment for alcohol and other drug abuse problems.

The bill provides for an additional \$4.8 million of new revenue for alcohol and drug abuse initiatives funded from both s. 20.435(6)(gb) and s. 20.435(7)(b). Of the \$4.8 million, approximately \$1.3 million will be placed in s. 20.435(6)(gb) and approximately \$3.5 million will be placed in s. 20.435(7)(b). This bill also earmarks the funds added under s. 20.435(7)(b) to allow for alcohol initiatives to be funded under this appropriation.

Please see the attached technical note.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Increasing the tax on malt beverages to fund alcohol treatment programs			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance	4,800,000		
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$4,800,000		\$
B. State Costs by Source of Funds			
GPR	4,800,000		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$4,800,000		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$4,800,000		\$
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$4,800,000		\$
NET CHANGE IN REVENUE	\$4,800,000		\$
Agency/Prepared By		Authorized Signature	Date
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