

Fiscal Estimate Narratives

DOR 2/26/2008

LRB Number	07-3871/1	Introduction Number	SB-469	Estimate Type	Original
Description Creating brew-on-premises and winemaking-on-premises permits for the making of fermented malt beverages and wine, creating an occupational tax exemption, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a permit is required for brewing beer, or manufacturing or rectifying wine for sale. No permit is required, however, for a person to brew beer or manufacture wine at home for personal consumption.

This bill creates brew-on-premises and winemaking-on-premises permits authorizing the permittee to furnish ingredients, supplies, and assistance to a person of legal drinking age to make beer or wine at the permittee's premises for personal or family use. The bill limits the volume of beer or wine that any person may make in a year, prohibits the sale of such beer or wine, and allows beer or wine made on these premises to be consumed on these premises. In addition, the bill exempts beer or wine made on the permittee's premises from state occupational taxes and establishes a \$200 biennial fee for brew-on-premises and winemaking-on-premises permits.

Under current law, with certain exceptions, a person who has not attained the legal drinking age of 21 years may not possess or consume alcohol beverages and may not be on any premises where alcohol beverages are sold. These prohibitions are extended under this bill to include the premises for which a brew-on-premises or winemaking-on-premises permit has been issued.

Also, under current law with certain exceptions, a person is immune from civil liability arising from selling, dispensing, or giving away alcohol beverages. The bill grants civil immunity to a permittee for any injury or property damage caused by a person who consumes beer or wine on the premises where made, provided that no person knowingly allows the consumption of beer or wine on premises by a person who has not attained the legal drinking age.

A minor program revenue increase may result from the \$200 biennial fee for the brew-on-premises and winemaking-on-premises permits. The bill is not expected to have any significant impact on the Department of Revenue's administrative costs.

Long-Range Fiscal Implications