

**FISCAL ESTIMATE FORM**

**1999 Session**

- ORIGINAL     UPDATED  
 CORRECTED     SUPPLEMENTAL

<b>LRB #</b> 4745/1
<b>INTRODUCTION #</b> SB 474
<b>Admin. Rule #</b>

**Subject**  
 Allow Sale of Fruit-Based Liquor Directly to Consumers from Manufacturing Premises

**Fiscal Effect**

**State:**  No State Fiscal Effect  
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

<input type="checkbox"/> Increase Existing Appropriation	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be Possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Decrease Existing Appropriation	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriation	<input type="checkbox"/> Decrease Costs	

**Local:**  No Local Government Costs

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

<b>Fund Sources Affected</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	<b>Affected Ch. 20 Appropriations</b>
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**Assumptions Used in Arriving at Fiscal Estimate:**

Currently, alcohol beverages, including fruit-based liquor, are generally distributed to consumers under a three-tier distribution system. Under this system, a manufacturer of fruit-based liquor may not sell directly to a consumer or retailer and is required to sell through a wholesaler. This bill creates an exception to the three-tier distribution system to allow a manufacturer or rectifier of fruit-based liquor (e.g., brandy) to sell directly to consumers, for consumption on or off the premises where sold, if the liquor is manufactured or rectified on those premises.

This bill would have a minimal effect, if any, on state revenue.

Local alcohol license revenue may decrease, because a local license would not be needed if the manufacturer or rectifier only sells fruit-based alcohol manufactured or rectified on the premises. However, a local license would still be required if the establishment sold any non-fruit-based alcohol or alcohol not manufactured on the premises.

**Long-Range Fiscal Implications:**

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