

Fiscal Estimate Narratives

DOR 4/7/2021

LRB Number	21-2761/1	Introduction Number	SB-266	Estimate Type	Original
Description the issuance by the Department of Revenue of retail alcohol beverage permits for motor vehicle racetrack grounds and authorizing caterers to make retail sales of alcohol beverages on racetrack grounds					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, with limited exceptions, no person may sell alcohol beverages to a consumer unless the seller possesses a license or permit authorizing the sale. Municipalities may issue retail Class "B" licenses authorizing the sale of fermented malt beverages (beer), and retail "Class B" licenses authorizing the sale of intoxicating liquor, which includes wine and distilled spirits, to consumers. Under certain circumstances, DOR may issue retail Class "B" and "Class B" permits authorizing the retail sale of beer and intoxicating liquor to consumers.

This bill authorizes the Department of Revenue to issue retail alcohol beverage permits for motor vehicle racetrack grounds. This bill also authorizes caterers to make retail sales of alcohol beverages on racetrack grounds.

While there are more than 50 motor vehicle racetrack grounds in Wisconsin, the department is aware of only 1 motor vehicle racetrack grounds (Road America) meeting the specific criteria found in SECTION 5 of the legislation. The department estimates that the bill will result to a very modest increase in liquor permit revenues and no tangible impact on state excise tax collections on the overall level of taxable production or shipments of alcohol into the state.

The department also estimates a one-time costs of \$6,530 for updating and testing the state's tax processing system which can be absorbed by the department.

Long-Range Fiscal Implications