

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

(803)734-0640 • RFA.SC.GOV/IMPACTS

Amended by House Ways and Means Licenses, Fees and Other **Bill Number:** S.1099

Taxes Subcommittee on September 4, 2020

Talley Author: Subject: Alcohol

Requestor: House Ways and Means

RFA Analyst(s): Payne

Impact Date: September 11, 2020

Fiscal Impact Summary

This bill will have no expenditure or revenue impact to the General Fund, Other Funds or Federal Funds of the Department of Revenue (DOR) because it relates to business relations between beer producers and wholesalers and will not affect revenue collections or DOR's responsibilities in regulating beer sales or tax collections.

Explanation of Fiscal Impact

Amended by House Ways and Means Licenses, Fees and Other Taxes Subcommittee on September 4, 2020

State Expenditure and State Revenue

This bill as amended provides seven actions which beer manufacturers, brewers and importers are prohibited from taking in business relations with wholesalers, with exceptions for written agreements between both parties. The provisions of this bill do not apply to existing distribution agreements between beer producers and wholesalers. The prohibited actions in this bill relate to marketing data and funding, shipping product quantities in excess of ordered quantities, and software requirements.

DOR indicates this bill will not change the agency's responsibilities in regulating beer sales, nor will the bill impact tax collections, because it affects business relations between beer producers and wholesalers. Therefore, this bill will have no expenditure or revenue impact on the General Fund, Other Funds, or Federal Funds.

Local Expenditure

N/A

Local Revenue

N/A

Introduced on February 12, 2020

State Expenditure and State Revenue

This bill provides eight actions which beer manufacturers, brewers and importers are prohibited from taking in business relations with wholesalers. The provisions of this bill do not apply to existing distribution agreements between beer producers and wholesalers. The prohibited actions in this bill relate to marketing data and funding, shipping product quantities in excess of ordered quantities, and software requirements.

DOR indicates this bill will not change the agency's responsibilities in regulating beer sales, nor will the bill impact tax collections, because it affects business relations between beer producers and wholesalers. Therefore, this bill will have no expenditure or revenue impact on the General Fund, Other Funds, or Federal Funds.

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director