



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0165	Introduced on January 8, 2019
Author:	Bennett	
Subject:	Beer for On and Off-premises Consumption	
Requestor:	Senate Judiciary	
RFA Analyst(s):	Mitchell and Gardner	
Impact Date:	January 29, 2019	

Fiscal Impact Summary

This bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds, as it does not materially for fiscally alter the responsibilities and oversight of the Department of Revenue or the State Law Enforcement Division.

The revenue impact of this bill is undetermined, as the amount of additional retail permit applications to be filed with the Department of Revenue is unknown.

Explanation of Fiscal Impact

Introduced on January 8, 2019

State Expenditure

This bill allows breweries to apply for up to two additional retail on-premises consumption permits for the sale of beer and wine at separate locations not licensed for brewing purposes. Beer and wine sold at the additional retail location that are not produced by the brewery must be purchased from a licensed wholesaler. A brewery who transfers its products to an additional retail location for sale must submit an application and remit a fee to the Department of Revenue. Currently, breweries are only authorized to sell beer produced on its licensed premises for on-premises consumption within the area of the licensed premises.

Department of Revenue (DOR). DOR indicates that the bill does not materially or fiscally alter the responsibilities or oversight of the department. As such, the bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds for DOR.

State Law Enforcement Division (SLED). SLED indicates that the enforcement activities required by the bill can be managed with existing personnel. As such, the bill will not result in an expenditure impact to the General Fund, Other Funds, or Federal Funds for SLED.

State Revenue

This bill allows DOR to collect a \$300 application fee and a \$600 biennial license fee for up to two additional retail on-premises consumption permits per brewery. It is unknown how many breweries will apply for additional licenses. Although DOR cannot estimate the number of additional permits to be filed, the department indicates that there are currently 54 licensed breweries in the state. If, for example, each of the 54 breweries apply for two additional retail on-premises consumption permits as described within this bill, DOR may have an increase in

General Funds revenue of up to \$32,400 from application fees in FY 2019-20, and \$64,800 in license fees, biennially.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director