



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	S.0619	Introduced on February 25, 2021
Author:	Rankin	
Subject:	Alcohol Manufacturer Satellite Certificate	
Requestor:	Senate Judiciary	
RFA Analyst(s):	Payne	
Impact Date:	March 9, 2021	

Fiscal Impact Summary

This bill will not have an expenditure impact on the Department of Revenue (DOR) to administer a new satellite location certificate for certain alcohol manufacturer's in this state, as DOR anticipates it can handle any increase in expenditures with existing appropriations.

This bill may result in a minimal but undetermined increase in Other Funds revenue for DOR because it requires an eligible manufacturer to submit a \$5,000 biennial application fee for each of up to four satellite location established pursuant to this bill. Due to the economic development requirements to be eligible for the certificates, DOR does not anticipate there will be many certificates issued. The increase in revenue will be dependent upon the number of application fees received.

Explanation of Fiscal Impact

Introduced on February 25, 2021

State Expenditure

This bill creates a new certificate that would allow certain licensed breweries, wineries, micro-distilleries, or liquor manufacturers to establish up to four satellite locations for the tasting and sale of their product. In order to qualify for the certificate, an eligible manufacturer must have invested at least four-hundred million dollars and created three-hundred new jobs in this state on or after January 1, 2021. There is a \$5,000 biennial fee per satellite location that must be paid to DOR, who shall administer the certificates. DOR anticipates that due to the economic development requirements to qualify for this certificate, there will be a limited number of certificates issued and any expenses will be handled with existing appropriations. Therefore, this bill will not have a fiscal impact to DOR's expenditures.

State Revenue

An eligible manufacturer is required to submit a \$5,000 application fee to DOR biennially for each of up to four satellite locations established pursuant to this bill. Any fees received by DOR would increase their Other Funds revenue and help pay the expenses necessary to administer the certificates. Due to the economic development requirements to qualify for this certificate, DOR estimates there will be a limited number of certificates issued, but is unable to estimate at this time how many. Therefore, it is anticipated this bill may result in a minimal but undetermined

increase in DOR's Other Funds revenues for a new type of application fee, the impact will be contingent upon the number of applications and fees received by the department.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director