



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:	H. 4001	Introduced on February 13, 2025
Subject:	Liquor Sales	
Requestor:	House Judiciary	
RFA Analyst(s):	Welsh and Bryant	
Impact Date:	April 7, 2025	

Fiscal Impact Summary

This bill allows for the issuance of permits for the sale of alcoholic liquors on Sundays between 1:00 p.m. and 5:00 p.m. in counties or municipalities where a majority of voters support a referendum in favor of the issuance of such permits. This bill also specifies the process of initiating and conducting a referendum on the topic of Sunday liquor sales as well as the frequency with which the question may be presented to voters and the language that must be included on the ballot. Further, this bill specifies a \$100 application fee and \$3,000 permit fee shall be charged to eligible licensed retail dealers.

This bill will have no expenditure impact on the State Election Commission or the Department of Revenue (DOR). The commission anticipates managing the provisions of this bill with existing appropriations. Additionally, DOR indicates that it has processes in place to update its forms, website information, and system functions, and anticipates that any expenses will be managed with existing appropriations.

Revenue and Fiscal Affairs (RFA) anticipates that this bill will have a minimal impact on liquor sales and resulting sales and alcohol tax revenues. Although we anticipate the provisions of this bill may cause a shift in the manner in which consumers purchase alcoholic liquors, the provisions of the bill are not expected to result in a material expansion of alcoholic liquor purchases.

RFA contacted all counties and the Municipal Association of South Carolina (MASC) to determine the potential expenditure impact this bill may have for local governments. We received a response from Florence County, Oconee County, and MASC. Responses received from the counties of Florence and Oconee indicate the expenditure impact will be minimal and managed within current budgets. Additionally, MASC anticipates this bill may have an undetermined impact on municipalities if the referendum petition is submitted in a year when the municipality does not have a municipal general election scheduled. Therefore, the fiscal impact for municipalities is undetermined.

This bill may result in an undetermined increase in local revenue due to the creation of a new permit with a \$100 filing fee and a \$3,000 annual permit fee allowing the sale of alcoholic liquors between 1:00pm and 5:00pm on Sunday. The permit fee must be waived if the applicant certifies to DOR that the applicant is the owner of the retail premises for which the permit is

sought, and the applicant does not have an ownership interest in other retail locations where a permit authorizing the Sunday sale of liquor may be issued. Filing and permit fees must be distributed to the county or municipality in which the retailer who paid the fee is located, pursuant to Section 61-6-2010(B). DOR indicates that there are currently 1,286 alcoholic liquor retail licenses in South Carolina. However, RFA is unable to estimate the number of retailers who will elect to obtain the new permit. Therefore, the local revenue impact is undetermined and will depend upon the number of permits issued.

Explanation of Fiscal Impact

Introduced on February 13, 2025

State Expenditure

This bill allows for the issuance of permits for the sale of alcoholic liquors on Sundays between 1:00 p.m. and 5:00 p.m. in counties or municipalities where a majority of voters support a referendum in favor of the issuance of such permits. This bill also specifies the process of initiating and conducting a referendum on the topic of Sunday liquor sales as well as the frequency with which the question may be presented to voters and the language that must be included on the ballot. Further, this bill specifies a \$100 application fee and \$3,000 permit fee shall be charged to eligible licensed retail dealers.

This bill will have no expenditure impact on the State Election Commission or the Department of Revenue (DOR). The commission anticipates managing the provisions of this bill with existing appropriations. Additionally, DOR indicates that it has processes in place to update its forms, website information, and system functions, and anticipates that any expenses will be managed with existing appropriations.

State Revenue

This bill authorizes DOR to issue a permit to allow the sale of alcoholic liquors on Sunday between 1:00pm and 5:00pm by a licensed retail dealer in a county or municipality that authorizes the Sunday sale of alcoholic liquors by referendum. RFA anticipates that this bill will have a minimal impact on liquor sales and resulting sales and alcohol tax revenues. Although we anticipate the provisions of this bill may cause a shift in the manner in which consumers purchase alcoholic liquors, the provisions of the bill are not expected to result in a material expansion of alcoholic liquor purchases.

Local Expenditure

This bill allows the issuance of permits for the sale of alcoholic liquors on Sundays between 1:00 p.m. and 5:00 p.m. in counties or municipalities where a majority of voters support a referendum in favor of the issuance of such permits. This bill also specifies the process of initiating and conducting a referendum on the topic of Sunday liquor sales as well as the frequency with which the question may be presented to voters and the language that must be included on the ballot.

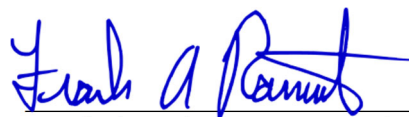
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Frank A. Rainwater, Executive Director