

1 *Senate* BILL NO. *164*
 2 INTRODUCED BY *Boylan Devine Manley Escherts*
 3 *Latt Kolstad Max Mekrem Nealy Bee*

4 A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION 4-117,
 5 R.C.M. 1947, TO REMOVE ARCHAIC LANGUAGE AND TO PROVIDE A
 6 PERSON WHO PURCHASES LIQUOR IN CASE LOTS WITH A FIVE PERCENT
 7 (5%) REDUCTION FROM THE RETAIL PRICE."

8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 4-117, R.C.M. 1947, is amended to
 11 read as follows:

12 "4-117. ~~No reduction~~ Reduction for quantity sales of
 13 liquor. ~~No--reduction~~ Reduction of five percent (5%) of the
 14 retail price of liquor sold at the state liquor store shall
 15 be made by the Montana ~~liquor-control-board~~ department of
 16 revenue liquor division for sales of liquor ~~in--quantity~~ to
 17 any person purchasing liquor in case lots."

-End-

STATE OF MONTANA

REQUEST NO. 257-75

FISCAL NOTE

Form BD-15

In compliance with a written request received March 11, 19 75, there is hereby submitted a Fiscal Note for Senate Bill 164 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 164 removes archaic language and provides a five percent reduction in retail price for liquor purchased in case lots.

ASSUMPTIONS:

1. There will be a yearly increase in liquor sales of 5%. Total sales in FY 74 were \$39,728,406.
2. Twenty percent of the liquor sales are in unbroken case lots.
3. The liquor excise tax will remain at 16 percent (all deposited in state general fund) and the liquor license tax will remain at 5 percent. (1 percent deposited in state general fund, 1 percent accrues to counties and 3 percent to cities and towns)

FISCAL IMPACT:

	Total	State excise and Portion of license tax	Profits	County portion of excise tax	City and town portion of excise tax
Estimated decrease in collections - FY 76	\$438,008	\$ 61,540	\$361,988	\$ 3,620	\$ 10,860
Estimated decrease in collections - FY 77	<u>459,906</u>	<u>64,614</u>	<u>380,088</u>	<u>3,801</u>	<u>11,403</u>
Total biennium decrease	<u>\$897,914</u>	<u>\$126,154</u>	<u>\$742,076</u>	<u>\$7,421</u>	<u>\$22,263</u>

CONCLUSIONS:

Enactment of Senate Bill 164 will result in decreased collections deposited in the State General Fund of an estimated \$868,230 during the 1975-77 biennium. An estimated \$126,154 of the total will be in the form of decreased state liquor excise tax and liquor license tax collections. An estimated \$742,076 will be attributed to a loss in liquor sale profits. County governments will lose a total of \$7,421 and cities and towns an estimated \$22,263 during the 1975-77 biennium.

Michael B. Bellings

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: March 12, 1975

Approved by Committee
on Business and Industry

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SENATE BILL NO. 164

INTRODUCED BY BOYLAN,DEVINE,MANLEY,

ROBERTS, GALT, KOLSTAD, ABER, MEHRENS, HEALY, LEE

A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION 4-117,
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(5%) REDUCTION FROM THE RETAIL PRICE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 4-117, R.C.M. 1947, is amended to
read as follows:

"4-117. ~~No reduction~~ Reduction for quantity sales of
liquor. ~~Reduction of five percent (5%) of the~~
retail price of liquor sold at the state liquor store shall
be made by the Montana ~~liquor-control-board~~ department of
revenue liquor-division for sales of liquor ~~in-quantity~~ to
any person purchasing liquor in UNBROKEN case lots."

-End-

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-End-

SB 164

HOUSE OF REPRESENTATIVES

March 10, 1975

HOUSE COMMITTEE ON BUSINESS & INDUSTRY AMENDMENT TO SENATE BILL 164

1. Amend page 1, section 1, line 16.
Following: "the"
Strike: "Montana"
2. Amend page 1, section 1, line 16.
Following: "department"
Strike: "of revenue"
3. Amend page 1, following line 18.
Insert: a new section 2 as follows.

"Section 2. Conditions to renumbering. If a bill to recodify and generally revise the alcoholic beverage control laws is enacted by the 44 legislature, section 4-117 as amended in section 1 of this act is renumbered in accordance with the other act."

March 18, 1975

HOUSE OF REPRESENTATIVES

Committee of the Whole Amendment to SENATE BILL NO. 164,
third reading copy as follows:

1. Amend page 1, section 1, line 18.

Following: "lots."

Insert: "No other reduction shall be made by the
department of revenue for quantity sales
of liquor."

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17 revenue liquor-division for sales of liquor ~~in--quantity~~ to
18 any person purchasing liquor in UNBROKEN case lots. NO
19 OTHER REDUCTION SHALL BE MADE BY THE DEPARTMENT OF REVENUE
20 FOR QUANTITY SALES OF LIQUOR."

21 SECTION 2. CONDITIONS TO RENUMBERING. IF A BILL TO
22 RECODIFY AND GENERALLY REVISE THE ALCOHOLIC BEVERAGE CONTROL
23 LAWS IS ENACTED BY THE FORTY-FOURTH LEGISLATURE, SECTION
24 4-117 AS AMENDED IN SECTION 1 OF THIS ACT IS RENUMBERED IN
25 ACCORDANCE WITH THE OTHER ACT.

-End-

REFERENCE BILL