

HOUSE BILL NO. 188

Introduced: 01/12/83

Referred to Committee on Taxation: 01/12/83

Hearing: 1/18/83

Report: 01/25/83, Do No Pass

Bill Killed: 01/26/83

House BILL NO. *188*
 INTRODUCED BY *Paul R. Heston Richard E. Manning*
 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE CERTAIN
 LIQUOR LICENSE FEES; AMENDING SECTION 16-4-501, MCA."

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

Section 1. Section 16-4-501, MCA, is amended to read:

"16-4-501. License and permit fees. (1) Each beer
 licensee licensed to sell either beer or table wine only, or
 both beer and table wine, under the provisions of this code,
 shall pay an annual license fee as follows:

(a) each brewer, wherever located, whose product is
 sold or offered for sale within the state, \$500 ~~\$1,250~~; for
 each storage depot, \$400 ~~\$1,000~~;

(b) each beer wholesaler, \$400 ~~\$1,000~~; each table wine
 distributor, \$400 ~~\$1,000~~;

(c) each beer retailer, \$200 ~~\$500~~; with a wine license
 amendment, an additional \$200 ~~\$500~~;

(d) for a license to sell beer at retail for
 off-premises consumption only, the same as a retail beer
 license; for a license to sell table wine at retail for
 off-premises consumption only, either alone or in
 conjunction with beer, \$200 ~~\$500~~;

(e) any unit of a nationally chartered veterans'

organization, \$50.

(2) The permit fee under 16-4-301(1) is computed at
 the rate of \$15 a day for each day beer and table wine are
 sold at those events lasting 2 or more days but in no case
 be less than \$30.

(3) The permit fee under 16-4-301(2) is \$10 for the
 sale of beer and table wine only or \$20 for the sale of all
 alcoholic beverages.

(4) Passenger carrier licenses shall be issued upon
 payment by the applicant of an annual license fee in the sum
 of \$300.

(5) The annual license fee for a license to sell wine
 on the premises, when issued as an amendment to a beer-only
 license, is \$200.

(6) The annual fee for resort retail liquor licenses
 within a given resort area shall be \$2,000 for each license.

(7) Each licensee licensed under the quotas of
 16-4-201 shall pay an annual license fee as follows:

(a) except as hereinafter provided, for each license
 outside of incorporated cities and incorporated towns or in
 incorporated cities and incorporated towns with a population
 of less than 2,000, \$250 for a unit of a nationally
 chartered veterans' organization and \$400 for all other
 licensees;

(b) except as hereinafter provided, for each license

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1 in incorporated cities with a population of more than 2,000
 2 and less than 5,000 or within a distance of 5 miles thereof,
 3 measured over the shortest public road or highway from the
 4 nearest entrance of the premises to be licensed to the
 5 nearest boundary of such city, \$350 for a unit of a
 6 nationally chartered veterans' organization and \$500 for all
 7 other licensees;

8 (c) except as hereinafter provided, for each license
 9 in incorporated cities with a population of more than 5,000
 10 and less than 10,000 or within a distance of 5 miles
 11 thereof, measured over the shortest public road or highway
 12 from the nearest entrance of the premises to be licensed to
 13 the nearest boundary of such city, \$500 for a unit of a
 14 nationally chartered veterans' organization and \$650 for all
 15 other licensees;

16 (d) for each license in incorporated cities with a
 17 population of 10,000 or more or within a distance of 5 miles
 18 thereof, measured over the shortest public road or highway
 19 from the nearest entrance of the premises to be licensed to
 20 the nearest boundary of such city, \$650 for a unit of a
 21 nationally chartered veterans' organization and \$800 for all
 22 other licensees;

23 (e) the distance of 5 miles from the corporate limits
 24 of any incorporated cities and incorporated towns is
 25 measured over the shortest public road or highway from the

1 nearest entrance of the premises to be licensed to the
 2 nearest boundary of such city or town; and where the
 3 premises of the applicant to be licensed are situated within
 4 5 miles of the corporate boundaries of two or more
 5 incorporated cities or incorporated towns of different
 6 populations, the license fee chargeable by the larger
 7 incorporated city or incorporated town applies and shall be
 8 paid by the applicant. When the premises of the applicant to
 9 be licensed are situated within an incorporated town or
 10 incorporated city and any portion of the incorporated town
 11 or incorporated city is without a 5-mile limit, the license
 12 fee chargeable by the smaller incorporated town or
 13 incorporated city applies and shall be paid by the
 14 applicant.

15 (f) an applicant for the issuance of an original
 16 license to be located in areas described in subsection (d)
 17 of this subsection shall pay a one-time original license fee
 18 of \$20,000 for any such license issued. The one-time license
 19 fee of \$20,000 shall not apply to any transfer or renewal of
 20 a license duly issued prior to July 1, 1974. All licenses,
 21 however, are subject to the annual renewal fee.

22 (g) The fee for one all-beverage license to a public
 23 airport shall be \$800. This license is nontransferable.

24 (9) The license fees herein provided for are exclusive
 25 of and in addition to other license fees chargeable in

LC 0612/01

1 Montana for the sale of alcoholic beverages."

-End-

STATE OF MONTANA

REQUEST NO. 134-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 18, 1983, there is hereby submitted a Fiscal Note for House Bill 188 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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:

House Bill 188 increases certain liquor license fees.

ASSUMPTIONS:

- 1) The number of beer and wine licenses sold or renewed annually is the number reported for October, 1982 by the Licensing Bureau.
- 2) This number will remain approximately what it was in 1982 even if license fees are increased.

FISCAL IMPACT:

	<u>FY 1984</u>	<u>FY 1985</u>
Beer and Wine Licenses		
Under Current Law	\$ 487,000	\$ 487,000
Under Proposed Law	<u>1,217,500</u>	<u>1,217,500</u>
Estimated Increase	<u>\$ 730,500</u>	<u>\$ 730,500</u>
General Fund		
Under Current Law	\$ 487,000	\$ 487,000
Under Proposed Law	<u>1,217,500</u>	<u>1,217,500</u>
Estimated Increase	<u>\$ 730,500</u>	<u>\$ 730,500</u>

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

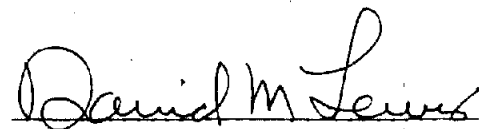
The proposed law raises the fee for a wine license amendment to \$500 in 16-4-501(1) but does not change the fee for a license to sell wine on the premises, which is now \$200 in 16-4-501(5).

Under current law, all-beverage license fees are generally higher than wine and beer license fees. The proposed law will make wine and beer license fees higher than most all-beverage license fees.

LOCAL IMPACT:

Since local governments are allowed to change retail liquor license fees of up to 1/2 the state fee, the additional revenue would be \$365,000 per year.

FISCAL NOTE 5:X/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-21-83