

Proposed 2013 Session Legislation

Agency Name & No: Department of Revenue

Priority Number: 11 | Filename: 5801\03-011

Short Title: Simplify Connoisseur Tax

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1. Purpose:

Simplify the Connoisseur Tax for Beer and Wine. Currently connoisseurs are required to file a return and pay tax every six months for shipments of wine and/or beer received during the previous six-month period. The process is very inefficient for citizens for a minimal tax. The cost should be added up front to cover the tax and to simplify and relieve the connoisseur's responsibility to file returns twice a year.

2. Background:

Connoisseur Tax for Beer and Wine is paid by a connoisseur licensee. Each year the connoisseur renews their license for \$25 for beer or wine and then is required to file a report and remit taxes at the end of December and June. The average tax paid is less then \$3 with only nine out of approximately 100 connoisseurs pay more than \$10 in tax for the six-month period.

3. Fiscal Impact by Fund Type: This impact should be as specific as possible.

Total tax collected every six months for all connoisseurs is less than \$600. The \$10 tax up front will cover the majority of the tax collected and will relieve the taxpayers responsibility to file twice a year.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only       Federal Requirement       Audit Recommendation (Audit No. )       Major Legislation
- Anticipated to be Controversial Legislation       Bill Draft has been included in Legislation Submittal (if available)
- Supports Submitted EPP Item Number:        Local Government Fiscal Impact
- Increases FTE, or       Decreases FTE by      List FTE amount and program:
- Increases Existing Revenue       Tax       Fee       Penalty [amount in #3]
- Decreases Existing Revenue       Tax       Fee       Penalty [amount in #3]
- Establishes New Revenue       Tax       Fee       Penalty [amount in #3]
- Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):
- Legislation would affect other state agencies (list):
- Special Interest Groups Affected (list):
- Other: