

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 13, 2005

TO: Honorable Jim Keffer, Chair, House Committee on Ways & Means

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB1370 by Madla (Relating to the disposition of certain tax revenue for the protection and development of grape and wine production.), **As Engrossed**

The bill would not affect the amounts collected for any tax revenue source, but it would shift the allocation for some portion of the specified tax revenues.

The bill would add a new section to Chapter 205 of the Alcoholic Beverage Code, relating to the use of revenue from the wine excise tax, sales taxes collected from holders of winery permits, and sales taxes remitted from holders of out-of-state winery direct shipper's permits, if Senate Bill 877, Seventy-ninth Legislature, Regular Session, 2005, is passed into law.

The bill would direct that portions of the specified tax revenues could be appropriated only to the Texas Department of Agriculture, the Texas Alcoholic Beverage Commission, or Texas institutions of higher education for activities related to the wine industry in Texas.

The bill would not affect the amounts collected for any tax revenue source, but it would shift the allocation for some portion of the specified tax revenues from the General Revenue Fund 0001 to specific state agencies or to GR Account—Wine Industry Development (which would be created if Senate Bill 1137, Seventy-ninth Legislature is passed into law).

This legislation would create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. Therefore, the fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2005. Its provisions would expire September 1, 2015.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 458 Alcoholic Beverage Commission

LBB Staff: JOB, DLBa, WP, SD