

BILL ANALYSIS

Senate Research Center
82R10888 MCK-F

S.B. 1409
By: Lucio
Business & Commerce
4/15/2011
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Alcoholic Beverage Commission (TABC) staffs tax collection operations at ports of entry along the Texas-Mexico border. TABC collects the tax on alcohol and tobacco coming into Texas from Mexico. Population growth, increased operational costs, and the need to establish operations on new international bridges has led to TABC port operations becoming fiscally non-self-sufficient.

Current law authorizes TABC to impose an administrative fee of 50 cents on alcoholic beverages. Current law also allows a Texas resident to import a quart of liquor but allows a non-resident to import a gallon.

S.B. 1409 increases the administrative fee leveraged on the importation of alcoholic beverages for personal consumption from 50 cents to one dollar. The proceeds collected from the increased administrative fee will be used by TABC to pay for collection operations.

S.B. 1409 creates a uniform allowance for Texas residents and non-residents of 24 12-ounce bottles or an equivalent quantity of malt beverages, three gallons of wine, and one gallon of distilled spirits.

As proposed, S.B. 1409 amends current law relating to importation and shipment of alcoholic beverages for personal consumption.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 107.07(a) and (e), Alcoholic Beverage Code, as follows:

(a) Authorizes a person to import not more than 24 12-ounce bottles or an equivalent quantity of malt beverages, three gallons of wine, and one gallon of distilled spirits for the person's own personal use without being required to hold a permit. Requires a person importing alcoholic beverages into the state under this subsection to pay the state tax on alcoholic beverages and an administrative fee of \$1 and to affix the required tax stamps. Prohibits minors and intoxicated persons from importing any alcoholic beverages into the state. Requires a person importing alcoholic beverages, rather than liquor, under this subsection to personally accompany the alcoholic beverages as the alcoholic beverages enter the state. Prohibits a person from using, rather than availing himself of, the exemptions set forth in this subsection more than once every thirty days. Makes conforming changes.

Deletes existing text authorizing a Texas resident to import not more than one quart of liquor for his own personal use without being required to hold a permit. Deletes existing text authorizing a Texas resident to import for his own personal use not more than three gallons of wine without being required to hold a permit. Deletes existing text authorizing a nonresident of Texas to import not more than a gallon of liquor for his own personal

use without being required to hold a permit. Deletes existing text requiring a person importing liquor into the state under this subsection to pay the state tax on liquor and an administrative fee of 50 cents and to affix the required tax stamps.

(e) Requires the administrative fees collected under this section to be used by the Texas Alcoholic Beverage Commission for the administrative costs of enforcing the requirements of Subsection (a), rather than Subsections (a) and (b) of this section.

SECTION 2. Repealer: Section 107.07(b) (relating to importation of beer), Alcoholic Beverage Code.

Repealer: Section 107.07(c) (relating to members of the armed forces importing liquor, wine, and beer), Alcoholic Beverage Code.

SECTION 3. Effective date: September 1, 2011.