

BILL ANALYSIS

Senate Research Center
86R19413 SRA-F

H.B. 4542
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It has been noted that there is no reliable cross-check of the sales tax paid when a brewpub sells alcohol to the ultimate consumer. H.B. 4542 seeks to address this issue and ensure the state is receiving the proper amount of tax revenue by increasing data collection from brewpubs to match that of other alcohol distributors.

H.B. 4542 amends current law relating to reports by persons involved in the manufacture and distribution of alcoholic beverages for purposes of sales and use taxes.

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 Section 151.461, Tax Code, by adding Subdivision (1-a) and amending Subdivision (5), to define "brewpub" and redefine "retailer" to include a person required to hold a brewpub license under Chapter 74 (Brewpub License), Alcoholic Beverage Code.

SECTION 2. Amends Section 151.462, Tax Code, as follows:

Sec. 151.462. New heading: REPORTS BY BREWERS, MANUFACTURERS, BREWPUBS, WHOLESALERS, AND DISTRIBUTORS. (a) Requires the comptroller of public accounts of the State of Texas (comptroller) to require each brewer, manufacturer, brewpub, wholesaler, distributor, or package store local distributor, rather than each brewer, manufacturer, wholesaler, distributor, or package store local distributor, to file with the comptroller a report each month of alcoholic beverage sales to retailers in this state.

(b)-(c) Makes conforming changes to these subsections.

SECTION 3. Amends Subchapter I-1, Chapter 151, Tax Code, by adding Section 151.4661, as follows:

Sec. 151.4661. APPLICABILITY TO CERTAIN BREWPUBS. Provides that this subchapter applies only to a brewpub that engages in activities authorized by Section 74.08 (Sales by Brewpub License Holders to Retailers), Alcoholic Beverage Code.

SECTION 4. Amends Section 151.468(b), Tax Code, to make conforming changes.

SECTION 5. Amends Section 151.470, Tax Code, to make a conforming change.

SECTION 6. Effective date: September 1, 2019.