

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 15, 2019

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **SB455** by Alvarado (Relating to the status and taxation of powdered alcohol as an alcoholic beverage.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Alcoholic Beverage Code relating to the status and taxation of powdered alcohol as an alcoholic beverage.

The bill would amend Section 1.04, regarding definitions, to add powdered alcohol to the definition of an alcoholic beverage. The bill would amend Section 201.03, regarding the tax on distilled spirits, to impose the tax on powdered alcohol at the rate of \$2.40 per gallon based on the amount of liquid suggested to be added by the manufacturer's packaging.

The bill's provisions could lead to increased liquor tax revenue collections; the increased amounts, however, cannot be determined but are not anticipated to be significant.

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: WP, CLo, SD, SMad