

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1376 - SB 1372**

March 18, 2017

**SUMMARY OF BILL:** Authorizes retail wine sales by retail food stores located in a county within which five or more municipalities have approved such retail sales by retail food stores.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$6,000/One-Time/ABC  
\$18,800/Recurring/ABC  
Exceeds \$5,000/Recurring/General Fund**

**Increase Local Revenue – Exceeds \$3,500**

Assumptions:

- Based on information from the Alcoholic Beverage Commission (ABC), an additional 15 retail food stores will receive a retail food store license as a result of this legislation.
- There is a \$400 application fee and \$1,250 annual license fee for such license.
- The one-time increase in state revenue to ABC is estimated to be \$6,000 (15 licenses x \$400 application fee).
- The recurring increase in state revenue to ABC is estimated to be \$18,750 (15 licenses x \$1,250 annual fee).
- Any impact on ABC to issue and enforce the additional licenses will be not significant.
- The precise impact of any additional tax collections resulting from additional stores being licensed to sell wine is dependent on multiple unknown factors including the extent to which the new sales cannibalize sales at other retail stores within the county.
- The recurring increase in state revenue is reasonably estimated to exceed \$5,000 to the General Fund.
- The recurring increase in local revenue is reasonably estimated to exceed \$3,500.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Handwritten signature of Krista M. Lee in cursive script.

Krista M. Lee, Executive Director

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