



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 20-1304

FISCAL NOTE

Drafting Number:	LLS 20-0995	Date:	February 26, 2020
Prime Sponsors:	Rep. Benavidez; Snyder	Bill Status:	House Finance
		Fiscal Analyst:	Katie Ruedebusch 303-866-3001 Katie.Ruedebusch@state.co.us

Bill Topic: CLARIFY OCCASIONAL ALCOHOL BEVERAGE SALE EXEMPTION

Summary of Fiscal Impact: **No fiscal impact.** The bill clarifies that the excise tax on alcoholic beverages applies to occasional sales by public auction. It is assessed as having no fiscal impact.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, occasional sales of alcohol by public auction do not require a liquor license or compliance with statutory reporting requirements as long as sellers met certain requirements. The bill clarifies that the excise tax on alcoholic beverages applies to occasional sales of alcohol by public auction.

Background

Taxpayers may claim a license exemption for beer, wine, and spirits sold at a public auction if the seller:

- possesses the liquor and the previous owner of the liquor has not claimed the beverages or furnished instruction for their disposition;
- obtained the beverages as part of a foreclosure of any lawful lien;
- salvaged the beverages from shipments damaged in transit; or
- operates a charitable organization and received the liquor as a donation.

Assessment of No Fiscal Impact

The bill clarifies that the excise tax on alcoholic beverages applies to occasional sales of alcohol by public auction. Since there are no recent records of public auctions of liquor in Colorado that qualify for the licensing exemption, there will be no change in revenue received on alcohol sold at auction. For this reason, the bill is assessed as having no fiscal impact.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Information Technology

Revenue