

**Sum mar**

- **Without a guarantee, liquor revenues for General Fund would be uncertain.**
  - Potential revenue from DLC swept to General Fund would be uncertain each year and difficult to budget.
  - An inflationary factor would need to be applied in future years. However, an inflationary factor may be less than current Consensus Forecast for Liquor Tax, meaning revenue loss relative to current law.
  - Timing concerns: liquor tax is collected monthly. The DLC GF transfer occurs in Budget Adjustment at the end of the year.
- **With a guarantee, General Fund loss is between \$10,000 and \$15,000 from local direct sales from distillers.**
- A slightly higher tax rate (6-7%) would erase revenue loss in FY20 from local direct sales in FY20, but would also help offset difference between an inflationary factor and the Consensus Revenue forecast growth for the Liquor tax.

Summary of General Fund Impacts of Current Law						
Line		History		Current Law		Notes
		FY2018	FY2019 (estimated)	FY2020	FY2021	
1	Liquor Tax Revenue (DLC)	\$19.90	\$20.20	\$20.70	\$21.10	From Consensus Forecast
2	Excise tax (in-State Producers, direct sales)	\$0.17	\$0.19	\$0.19	\$0.21	Revenue growth assumed at 7% per year
3	<b>Subtotal: Total Dedicated Funds to GF</b>	<b>\$20.07</b>	<b>\$20.39</b>	<b>\$20.89</b>	<b>\$21.31</b>	
4	License revenue transferred from Enterprise Fund	\$0.47	\$0.51	\$0.51	\$0.51	FY19 assumed to be growth rate from FY17 to
5	Transfer from Enterprise Fund to GF	\$1.06	\$1.81	\$1.81	\$1.90	FY18 FY21 growth assumed at 5%
6	<b>Total General Fund</b>	<b>\$21.59</b>	<b>\$22.70</b>	<b>\$23.20</b>	<b>\$23.71</b>	
Enterprise Fund flows, current law						
Line		History		Current Law		
		FY2018	FY2019 (estimated)	FY2020	FY2021	
1	Enterprise Fund directly related to liquor sales	\$63.66	\$66.58	\$69.64	\$72.84	FY19 assumed to be growth rate from FY17 to FY18 FY19
2	License Fees	\$2.74	\$4.31	\$4.31	\$4.31	assumed to be growth rate from FY17 to FY19 Gross EF
3	Other income	-\$0.55	-\$2.04	-\$1.93	-\$1.82	less liquor sale proceeds plus license fees FY19, 20 and 21
4	<b>Gross Enterprise Fund</b>	<b>\$65.85</b>	<b>\$68.86</b>	<b>\$72.02</b>	<b>\$75.33</b>	assumed to be growth rate from FY17 to FY19
5	License Fees to GF	-\$0.47	-\$0.51	-\$0.51	-\$0.51	
6	Transfer from Enterprise Fund to GF	-\$1.06	-\$1.81	-\$1.81	-\$1.90	
7	<b>Final Enterprise Fund</b>	<b>\$64.33</b>	<b>\$66.55</b>	<b>\$69.71</b>	<b>\$72.93</b>	