



**Colorado  
Legislative  
Council  
Staff**

**HB16-1176**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0627  
**Prime Sponsor(s):** Rep. Lebsack  
Sen. Tate

**Date:** June 16, 2016  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Anna Gerstle (303-866-4375)

**BILL TOPIC:** WINE & SPIRITS WHOLESALERS EMPLOYEE PURCHASE PROGRAM

<b>Fiscal Impact Summary</b>	<b>FY 2015-2016</b> <i>(current year)</i>	<b>FY 2016-2017</b>	<b>FY 2017-2018</b>
<b>State Revenue</b> General Fund	Minimal decrease.		
<b>State Expenditures</b>			
<b>TABOR Impact</b>			Minimal decrease.
<b>Appropriation Required:</b> None.			
<b>Future Year Impacts:</b> Ongoing minimal revenue decrease.			

**Summary of Legislation**

The bill allows licensed vinous and spirituous wholesalers to establish employee purchase programs that allow employees to purchase wine and spirits directly from the wholesaler.

**State Revenue**

The bill may minimally decrease revenue to General Fund beginning in FY 2015-16. Wholesalers that sell wine and spirits to their employees will have to remit sales tax to the Department of Revenue. Sales tax on goods at the wholesale price, rather than the retail price, may result in a minimal decrease in revenue to the General Fund.

**TABOR Impact**

To the extent that the bill reduces sales tax revenue to the General Fund, it will reduce the amount of money required to be refunded under TABOR. TABOR refunds are paid out of the General Fund. No TABOR refund is expected in FY 2015-16 or FY 2016-17.

## Local Government Impact

There may also be a minimal decrease in sales tax revenue to local governments beginning in FY 2015-16, as a result of local sales tax paid on wine and spirits at the wholesale price, rather than retail price. This decrease is expected to be minimal.

## Effective Date

The bill was signed into law by the Governor and took effect on April 14, 2016.

## State and Local Government Contacts

Municipalities

Information Technology

Revenue