



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 20-1304

FINAL FISCAL NOTE

Drafting Number:	LLS 20-0995	Date:	July 20, 2020
Prime Sponsors:	Rep. Benavidez; Snyder	Bill Status:	Postponed Indefinitely
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Bill Topic: **CLARIFY OCCASIONAL ALCOHOL BEVERAGE SALE EXEMPTION**

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

Appropriation Summary: No appropriation was required.

Fiscal Note Status: The fiscal note reflects the introduced bill. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

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 was postponed indefinitely by the House Finance Committee on May 28, 2020.

State and Local Government Contacts

Information Technology

Revenue