

SENATE BILL REPORT

SB 5259

As of January 28, 2011

Title: An act relating to the tax payment and reporting requirements of small wineries.

Brief Description: Concerning the tax payment and reporting requirements of small wineries.

Sponsors: Senators Kline, Honeyford, Kohl-Welles, Carrell and Schoesler.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 1/27/11.

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Staff: Edith Rice (786-7444)

Background: Wineries, wine distributors, importers, and holders of certificates of approval must submit a liter tax along with a wine tax report to the Liquor Control Board on a monthly basis. Revenue generated from the wine liter tax is deposited into a number of accounts, including the Liquor Revolving Account, the state General Fund, the Violence Reduction and Drug Enforcement Account, and the Health Services Account. A portion of the liter tax revenue is also disbursed quarterly to the Washington Wine Commission.

Summary of Bill: Wineries that have a total taxable sales of wine in Washington of 6000 gallons or less during the calendar year preceding the tax due date are required to report on and pay taxes no more frequently than annually.

Appropriation: None.

Fiscal Note: Requested on January 24, 2011.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Doing monthly bookkeeping is a burden on small wineries. It will save effort to be able to do it once per year. Other states do this. Please note that the fiscal note is a one time cost.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Persons Testifying: PRO: Paul Beveridge, John Bell, Family Wineries of Washington State.