

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	HB1682
Version:	CS
Request Number:	7858
Author:	Dempsey
Date:	3/9/2023
Impact:	OTC Analysis:
	FY24: Unknown, potential revenue decrease
	FY25: Unknown, potential revenue decrease

Research Analysis

The committee substitute for HB 1682 authorizes distiller licensees to sell spirits at one location controlled by the licensee other than the licensed distillery premises. Such spirits will not be considered cocktails or mixed drinks when mixed with non-alcoholic substances used for on-premises consumption.

Prepared By: Matthew Brenchley

Fiscal Analysis

In its current form, HB1682 proposes to allow Oklahoma distilleries to sell their products for on premise or off-premise consumption at a location, controlled by the licensee, located not contiguous to the licensed distillery premises. The measure also clarifies that spirits sold at authorized locations and events, when mixed with other non-alcoholic substances, shall not be considered cocktails, mixed beverages or mixed drinks. This change will allow distilleries to sell such drinks without being subject to the mixed beverage gross receipts tax. The number of distilleries that are making sales as described is unknown, therefore the total impact of this measure is unknown; however, any such change in consumer behavior related to items no longer subject to taxation would result in a decrease to revenue of the state.

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.