

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1162

Bill Subtitle: TO AMEND THE LAW REGARDING MICROBREWERY-RESTAURANTS; AND TO AUTHORIZE MICROBREWERY-RESTAURANTS TO MANUFACTURE AND SELL READY-TO-DRINK PRODUCT.

Basic Change :

Sponsors: Reps. Ray and G. Hodges and Sens. Boyd and English

HB1162 expands the types of alcoholic beverages that a microbrewery-restaurant may produce and sell. Under current law, a microbrewery-restaurant is authorized to brew beer, cider, and malt beverage for consumption on or off-premises of the restaurant. HB1162 allows a microbrewery-restaurant to also manufacture a ready-to-drink product. A "ready-to-drink product" is defined as a "product containing spirituous liquor with a final finished product of no greater than 15% alcohol by weight."

Revenue Impact :

Revenue impact is unknown.

Taxpayer Impact :

A microbrewery restaurant will be allowed to manufacture and sell ready-to-drink products.

Resources Required :

Computer programs, tax forms, and instructions would require update. Arkansas Integrated Revenue System (AIRS) programming costs estimated to be \$13,000.

Time Required :

Adequate time is allowed for implementation.

Procedural Changes :

Changes will need to be made to the beer tax return adding ready-to-drink product as an option.

Other Comments :

None.

Legal Analysis :

None.