

**BILL SUMMARY**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB809</b>
<b>Version:</b>	<b>ENGR</b>
<b>Request Number:</b>	
<b>Author:</b>	<b>Rep. McEntire</b>
<b>Date:</b>	<b>4/5/2023</b>
<b>Impact:</b>	<b>OTC Analysis:</b>
	<b>FY24: \$1,379,000 revenue decrease</b>
	<b>FY25: \$2,412,000 revenue decrease</b>

**Research Analysis**

The engrossed version of SB 809 modifies the term “cocktail” or “mixed drink” as it relates to the Oklahoma Cocktails To Go Act to clarify that such drinks shall not be limited to the examples provided by current law. The measure authorizes mixed beverage and mixed beverage/caterer combination licensees to provide curbside pickup and delivery. Customers are authorized to carry a sealed container from the licensed premises after purchasing a cocktail after being informed by the licensee that such a container shall be stored out of reach of the driver’s compartment.

Prepared By: Matthew Brenchley

**Fiscal Analysis**

In its current form, SB809 modifies the definitions of *cocktail* and *mixed drink* and authorizes mixed beverage/caterer combination licensees to provide curbside pickup and delivery. Officials from the Oklahoma Tax Commission provide the following information regarding the impact of the bill.

According to the proposed language, a beer served with a slice of lime or a wine served with a piece of fruit or vegetable at a brew pub or winery would be exempt from the 13.5% gross receipts tax (mixed beverage tax). Based upon Oklahoma Tax Commission records, a total of \$2,420,465 in mixed beverage taxes was remitted by brew pubs and wineries in FY 22. Additionally, OTC alcohol excise tax records indicate that 92%<sup>1</sup> of the volume of alcohol excise tax comes from beer and wine. Application of 92% of the beer and wine percentage to \$2,420,465 in mixed beverage taxes, and calculated with an effective date of November 1, 2023 along with an inflation rate of 3.9% for FY 23, 2.2% for FY 24, and a 2% rate for FY 25 results in an estimated decrease of \$1,379,335 in mixed beverage tax revenues for FY 24 and an estimated decrease of \$2,411,866 in mixed beverage tax revenues for FY 25.

Prepared By: Zachary Penrod, House Fiscal Staff

**Other Considerations**

None.

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