

COMMITTEE REPORT

2/27/75

SENATE

Mr. President:

Date March 10, 1975

The Committee on FINANCE has had SB 198
refund of excise tax paid to the state by liquor wholesalers
under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

COMMITTEE REPORT

2/27/75

SENATE

Mr. President:

Date March 19, 1975

The Committee on FINANCE has had SB 198
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under consideration. A Majority of the members of the Committee

- recommends it DO PASS
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<u>[Signature]</u>	<u>[Signature]</u>	_____
_____	<u>[Signature]</u>	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

A M E N D M E N T

Offered in the SENATE

By Finance Committee

To: _____ SENATE BILL NO. 108

_____ HOUSE BILL NO. _____

AMENDMENT: Page _____ Line 17

Introduced: 2/24/75
Referred: State Affairs and
Finance

1 IN THE SENATE

BY FERGUSON

2 SENATE BILL NO. 198

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a refund to retailers of a portion
7 of the purchase price paid by them for intoxicating
8 liquors which represents excise tax paid to the state
9 by the wholesaler; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. A retailer of intoxicating liquors having a state license to
12 do business on November 14, 1974, is entitled to a refund of the part of the
13 purchase price paid by him to a wholesaler for intoxicating liquors which were
14 condemned and destroyed by the proper authorities by reason of the natural
15 disaster declared by President Ford on November 14, 1974, and which repre-
16 sents the excise tax on those liquors paid by the wholesaler to the state
17 unless otherwise indemnified by the tax.

18 * Sec. 2. To obtain the excise tax refund provided for in this Act, the
19 claimant shall file with the Department of Revenue a claim verified by depart-
20 ment receipts given for the condemned liquors. When money becomes available
21 the department shall refund to the claimant the full amount of the excise tax
22 paid by the retailer to the wholesaler as a part of the purchase price of the
23 intoxicating liquor designated in sec. 1 of this Act.

24 * Sec. 3. A person who, in making and subscribing a claim for tax refund
25 authorized by this Act, wilfully falsifies any material matter set out in
26 the claim or receipt is guilty of a felony, and upon conviction is subject to
27 the penalties prescribed for perjury under the laws of this state. In this
28 section, "person" includes an officer, agent, or employee of a corporation.

29 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-

Introduced: 2/24/75
Referred: State Affairs and
Finance

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BY FERGUSON

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MEMORANDUM

SB-198

TO: P. A. Wall, Acting Director
ABC Board
Anchorage

DATE: December 5, 1974

FROM: Bruce A. LaRose, ABC Investigator
Fairbanks

SUBJECT: Bering Sea Disaster
(Nome flood)

The following listing reflects the brand and case-lot amounts of alcoholic beverages destroyed after removal from the premises indicated during the period November 16-19, 1974:

Container Btl/can) size	Nugget III (hotel)	cans or Btls/case	No. Cases	Wine Gallons	*Estimated Cost	Extended Cost
12 oz.	Budweiser Beer	24	30	67.5	\$ 8.00	\$ 240.00
12 oz.	Schlitz Beer	24	20	45.0	8.00	160.00
12 oz.	Michelob Beer	24	40	90.0	8.00	320.00
12 oz.	Olympia Beer	24	50	112.5	8.00	400.00
	Total		140	315.0		\$ 1,120.00

*Includes cost of product, freight, and tax at Nome.

Breakers Bar

Quart.	B & L Scotch	12	6	18.0	\$ 69.45	\$ 416.70
Quart	Tangeray Gin	12	1	3.0	91.25	91.25
23/32 Qt	Rhine Wine	12	8	17.25	41.75	334.00
12 oz.	Schlitz Beer	24	250	562.5	8.00	2,000.00
12 oz.	Olympia Beer	24	1,485	3341.25	8.00	11,880.00
12 oz.	Hamm's Beer	24	120	270.0	8.00	960.00
	Total		(Beer) 1,855 (Other) 15			\$15,681.90

Board of Trade Bar

Quart	Cutty Sark Scotch	12	4	12.0	\$109.75	\$ 439.00
	House of Stuart Scotch	6	6 2/3	30.0	64.50	560.70
	(40 ea. 1/2 gal btls)		(6 1/2 gal. bottles per case)			
Quart	Kirov Vodka	12	1	3.0	63.65	\$ 63.65
Quart	Christ. Bro. Brandy	12	5	15.0	66.35	331.75
Quart	Gilbey's Gin	12	1	3.0	63.80	63.80
Quart	Seagram's 7 Crown	12	10	30.0	86.50	865.00
Quart	Popov' Vodka	12	3	9.0	54.45	163.35

container (btl/can size)	Brand of Trade (Cont'd)	cans or btls per case	No. Cases	Wine Gallons	Estimated Cost	Extended Cost
Quart	Bacardi Rum, Dk.	12	6	18.0	\$ 70.25	\$ 421.50
Quart	Canadian Club	12	8	24.0	110.35	882.80
Quart	Seagram's VO	12	7	21.0	110.35	772.45
Quart	Canadian Mist	12	3	9.0	85.10	255.30
Quart	Jim Beam	12	5	15.0	74.75	373.75
Quart	Teachers	12	5	15.0	116.65	583.25
Fifth	Southern Comfort	12	6	18.0	72.75	436.50
Quart	Kirov Gin	12	1	3.0	63.65	63.65
Quart	Bacardi Rum, Lt.	12	2	6.0	70.75	140.50
Quart	Jacques Bonet Champ.	12	1	3.0	34.15	34.15
Quart	Old Granddad	12	3	9.0	87.50	262.50
Quart	Kiska Vodka	12	3	9.0	50.65	151.95
Quart	Beefeaters Gin	12	5	15.0	91.25	455.25
Quart	Montezuma Teq.	12	4	12.0	64.50	258.00
Quart	Empire Gin	12	2	6.0	62.50	125.00
Quart	Wolfschmidt Vodka	12	2	6.0	67.95	135.90
Quart	Bartons "QT"	12	2	6.0	61.60	123.20
Quart	Hennessy Cognac	12	4	12.0	157.30	629.20
23 oz.	Drambuie	12	3	6.48	122.45	367.35
30 oz.	Martini Rossi Verm.	12	2	5.62	42.75	85.50
Quart	Jack Daniels, Blk.	12	11	33.0	112.50	1,237.50
Quart	Jack Daniels, Grn.	12	11	33.0	100.20	1,102.20
Quart	Old Taylor	12	1	3.0	81.05	81.05
Quart	LeRoux Creme DeMenthe	12	5	13.0	60.85	304.25
Fifth	Jim Beam Choice	12	7	15.1	74.75	523.25
Quart	LeRoux Sloe Gin	12	7	21.0	61.75	432.25
Quart	Wild Cherry Brandy	12	2	6.0	69.60	139.20
Fifth	Galliano Liquore	1	1	bottle 1/5 (gal)	9.81	9.81
Quart	Peach Brandy	12	1	3.0	69.60	69.60
Quart	Matador Tequila	12	2	6.0	73.15	146.30
Quart	Arrow Creme De Banana	12	1	3.0	57.00	57.00
Quart	Chateau Creme De Coca	12	2	6.0	49.95	91.90
Quart	Arrow Apricot Brandy	12	1	3.0	65.80	65.80
Quart	I. W. Harper	12	3	9.0	73.75	221.25
Fifth	Old Bushmill <i>5-111</i>	12	2	4.32	94.14	188.28
Quart	Cabin Still	12	2	6.0	73.39	146.78
Fifth	Kahlua	12	4	8.64	96.04	384.16
Quart	LeRoux Creme De Menthe, Wt. 12	12	5	15.0	60.85	304.25
Quart	Hiram Walker Creme De Menthe 12	12	1	3.0	70.64	70.64
Quart	Peppermint Schnapps	12	2	6.0	58.45	116.90
Quart	Tribuno Vermouth	12	4	12.0	44.43	177.72
Quart	Old Forester	12	3	9.0	79.30	237.90
Quart	LeRoux Apricot Brandy	12	1	3.0	69.10	69.10
Quart	Kentucky Gentleman	12	7	21.0	62.50	437.50
12 oz.	Hamm's Beer	24	13		8.00	104.00
12 oz.	Budweiser Beer	24	1,306	4536	8.00	10,448.00
12 oz.	Schlitz Beer	24	135		8.00	1,080.00
12 oz.	Olympia Beer	24	562		8.00	4,496.00
Total		(Beer) 2,016	(Other) 189 2/3			\$31,257.64

Plus one case of Harvey Wallbanger - price unknown

Computation: one case of fifths @ 12 per case = 2.16 Wine gallons
 one case of quarts @ 12 per case = 3.0 Wine gallons
 one wine gallon = 128.0 oz

P. A. Wall

-3-

December 5, 1974

Overall totals for the foregoing licensees are:

Cases of beer	4,011
Cases of assorted whiskey, gin, vodka, cordials, etc.	204
Estimated dollar value - all beverages	\$48,059.54

BAL:vk

cc: Steffen Andersen
Wade Baker

(Report prepared by LaRose November 26, 1974)

BERING SEA DISASTER
(NOME FLOOD.)
BEVERAGES DESTROYED

ESTABLISHMENT	TOTAL		TOTAL		TOTAL	
	HARD LIQ	WINE	BOTTLE	GALLONS	GALLONS	\$ CLAIM
	GALLONS	GALLONS	GALLONS			
1 <u>HUGGETT III</u>	-0-	-0-		315.00		
2 TAX @ PER GALLON	* 4.00	0.60		0.25		
3 \$ CLAIM	-0-	-0-	*	78.75	*	78.75
6 <u>FRENCH'S BAR</u>	2100	1725		4173.75		
7 TAX @ PER GALLON	* 5.00	0.60		0.25		
8 \$ CLAIM	* 2400	1035	*	1043.44		1139.79
9 <i>Thomas London 443-2170</i>						
11 <u>BOARD OF TRADE BARN</u>	54274	862		4536.00		
12 TAX @ PER GALLON	* 4.00	0.60		0.25		
13 \$ CLAIM	* 217096	517		1134.00		3312.13
14 <i>Summit 443-2325</i>						
15 <i>443-2111</i>						
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MEMORANDUM

State of Alaska

TO: Frederick P. Boetsch
Deputy Commissioner, Taxation
Department of Revenue

DATE: March 6, 1975

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Senate Bill 198

We have analyzed Senate Bill 198 and feel that the potential impact of the Bill would only be in the area of a reduction in revenue because of the re-funding of alcoholic beverage tax which may have been paid on the alcoholic beverages destroyed. To date, it has been established, positively, that some \$48,000.00 worth of alcoholic beverages were destroyed in the flood in Nome on which the taxes would amount to \$4,530.00.

It is our understanding, however, that there was an additional sizeable quantity of alcoholic beverages belonging primarily to one wholesale firm that was also destroyed. We have been unable to specifically identify the exact value of that inventory, however, it has been estimated to have been worth approximately \$260,000.00. Further, our information is that most likely the inventory was fully covered by insurance.

In the event, however, the alcoholic beverages were not insured and the total loss is estimated to be no greater, at the absolute maximum, than \$450,000.00. then the potential refund of alcoholic beverage excise tax would be \$42,400.00.

It is very important, also, that a technical correction be made to Section 1 of Senate Bill 198. The last three words of Section 1 of the Bill read, "by the tax" when it should read "for the tax." I believe there has been other correspondence directed to the legislature regarding this correction.

GLJ/bjm

Attachment

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill No. 198

Title: _____

Requested by: _____

Date: _____

Return Date Requested: _____

Agency: Revenue

Program: Audit

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Audit Division

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

None required

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See memo attached.

IV. ATTACHMENTS

V. DATE: _____

PREPARED BY: _____

Gary L. Jenkins
Director
Audit Division

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

MEMORANDUM

State of Alaska

TO: Frederick P. Boetsch
Deputy Commissioner, Taxation
Department of Revenue

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