

BILL ANALYSIS

Senate Research Center
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H.B. 1936
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Alcoholic Beverage Commission (TABC) staffs tax collection operations at ports of entry along the Texas-Mexico border. TABC collects the tax on alcohol and tobacco coming into Texas from Mexico. Population growth, increased operational costs, and the need to establish operations on new international bridges has led to TABC port operations becoming fiscally non-self sufficient.

Current law authorizes TABC to exact a 50 cents administrative fee on alcoholic beverages. Current law also allows a Texas resident to import a quart of liquor but allows a non-resident to import a gallon.

H.B. 1936 increases the administrative fee leveraged on the importation of alcoholic beverages for personal consumption from 50 cents to \$3. The proceeds collected from the increased administrative fee will be used by TABC for the purpose of paying for collection operations.

H.B. 1936 creates a uniform allowance for Texas residents and non residents of 24 twelve-ounce bottles or an equivalent quantity of malt beverages, three gallons of wine, and one gallon of distilled spirits.

For purposes of conformity, H.B. 1936 repeals Sections 107.07(b) and (c) of the Alcoholic Beverage Code.

H.B. 1936 amends current law relating to importation and shipment of alcoholic beverages for personal consumption.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 107.07(a) and (e), Alcoholic Beverage Code, as follows:

(a) Authorizes a person to import not more than 24 12-ounce bottles or an equivalent quantity of malt beverages, 3 gallons of wine, and 1 gallon of distilled spirits for the person's own personal use without being required to hold a permit. Requires a person importing alcoholic beverages into the state under this section to pay the state tax on alcoholic beverages and an administrative fee of \$3 and to affix the required tax stamps. Prohibits a minor and an intoxicated person from importing alcoholic beverages into the state. Requires a person importing alcoholic beverages under this subsection to personally accompany the alcoholic beverages as the alcoholic beverages enter the state. Prohibits a person from using the exemptions set forth in this subsection more than once every thirty days. Deletes existing text authorizing a Texas resident to import not more than one quart of liquor for his own personal use without being required to hold a permit. Deletes existing text authorizing a Texas resident to import for his own personal use not more than three gallons of wine without being required to hold a permit. Deletes existing text authorizing a nonresident of Texas to import not more than a gallon of liquor for his

own personal use without being required to hold a permit. Deletes existing text requiring a person importing into the state under this subsection to pay the state tax on liquor and an administrative fee of 50 cents and to affix the required tax stamps. Deletes existing text prohibiting a minor or an intoxicated person from importing liquor into the state. Deletes existing text requiring a person importing wine or liquor under this subsection to personally accompany the wine or liquor as it enters the state. Deletes existing text prohibiting a person from availing himself of the exemptions set forth in this subsection more than once every thirty days.

(e) Requires the administrative fees collected under this section to be used by the Texas Alcoholic Beverage Commission for the administrative costs of enforcing the requirements of Subsection (a), rather than requirements of Subsections (a) and (b) of this section.

SECTION 2. Amends Section 107.11, Alcoholic Beverage Code, as follows:

Sec. 107.11 New heading: IMPORTATION OF PERSONAL COLLECTION. (a) Authorizes a person who is relocating a household to import, or contract, with a motor carrier or another person to import, a personal malt beverage, wine, or distilled spirit collection as part of that person's household goods.

(b) Provides that Section 107.07 does not apply not apply to a person who is importing a personal malt beverage, wine, or distilled spirit collection under Subsection (a). Makes nonsubstantive changes.

SECTION 3. Repealers: Sections 107.07(b) (relating to the importation of beer into the state for personal use) and (c) (relating to treating a member of the armed forces stationed in Texas as a Texas resident) and 107.12 (Direct Shipment of Wine), Alcoholic Beverage Code.

SECTION 4. Effective date: September 1, 2011.