

Oregon Liquor & Cannabis Commission (OLCC)

Alcohol Revenue

Taxes are imposed on beer and wine manufactured or distributed in Oregon. The current rates are \$2.60 per barrel (8.4¢ per gallon) of beer. The tax on wine is 67¢ per gallon, and 77¢ per gallon for dessert wine (14% to 21% alcohol content). Two cents of the wine tax go to the Wine Board, 50% of the remaining wine and beer taxes go to Mental Health and Drug Abuse Prevention, and the balance goes into the OLCC Account. Beverages with 21% or more alcohol are exclusively imported and distributed by the state of Oregon. Currently OLCC sets retail prices, on average, at 105% above cost (including shipping, and federal taxes). The net revenue from the liquor operations goes into the OLCC account. Revenue in the OLCC account is distributed 56% to the state General Fund, 10% to counties by population, 20% to cities by population, and 14% to cities by formula. Alcohol License fees generate about \$21 million a biennium and they are primarily utilized in covering portions of the OLCC operations. A surcharge of 50¢ is a temporary add on for the last four budget periods and generates approximately \$40 million a biennium. Liquor sales experienced robust growth since 2020 (10% on average during the COVID years), however, net liquor revenue in 2022 decreased 3.8% because the liquor store agents and the distillery retail outlets received an increase in their compensation rate, where average rate went from 9.1% to about 10.4%.

OLCC ALCOHOL REVENUE (Millions)

OLCC REVENUE DISTRIBUTIONS (Millions)

| Fiscal Year | Beer&Wine Tax | | Liquor | | Net Liquor | | Fiscal Year | Wine Board | Mental Health | General Fund | Counties | Cities |
|-------------|---------------|--------|--------|--------|------------|--------|-------------|------------|---------------|--------------|----------|--------|
| | Revenue | Change | Sales | Change | Revenue | Change | | | | | | |
| 1991-92 | 10.7 | | 83.3 | | 61.6 | | 1991-92 | 0.10 | 5.20 | 36.30 | 6.50 | 22.00 |
| 1992-93 | 11.0 | 2.8% | 85.2 | 2.3% | 62.2 | 1.0% | 1992-93 | 0.20 | 5.40 | 38.00 | 6.80 | 23.10 |
| 1993-94 | 10.6 | -3.6% | 89.7 | 5.3% | 65.2 | 4.8% | 1993-94 | 0.10 | 5.20 | 40.60 | 7.10 | 24.10 |
| 1994-95 | 10.6 | 0.0% | 90.1 | 0.4% | 65.9 | 1.1% | 1994-95 | 0.10 | 5.20 | 41.30 | 7.40 | 25.10 |
| 1995-96 | 11.2 | 5.7% | 93.4 | 3.7% | 67.7 | 2.7% | 1995-96 | 0.20 | 5.50 | 37.30 | 6.70 | 22.70 |
| 1996-97 | 11.8 | 5.4% | 97.1 | 4.0% | 70.9 | 4.7% | 1996-97 | 0.20 | 5.80 | 48.90 | 8.70 | 29.70 |
| 1997-98 | 12.0 | 1.7% | 102.4 | 5.5% | 73.8 | 4.1% | 1997-98 | 0.20 | 6.00 | 45.30 | 8.10 | 27.50 |
| 1998-99 | 12.1 | 0.8% | 107.8 | 5.3% | 76.5 | 3.7% | 1998-99 | 0.20 | 5.90 | 45.70 | 8.20 | 27.70 |
| 1999-00 | 12.4 | 2.5% | 116.1 | 7.7% | 84.8 | 10.8% | 1999-00 | 0.20 | 6.00 | 51.40 | 9.20 | 31.20 |
| 2000-01 | 12.5 | 0.8% | 121.7 | 4.8% | 85.8 | 1.2% | 2000-01 | 0.20 | 6.17 | 52.49 | 9.37 | 31.87 |
| 2001-02 | 12.7 | 1.6% | 127.8 | 5.0% | 93.0 | 8.4% | 2001-02 | 0.20 | 6.25 | 54.75 | 9.77 | 33.23 |
| 2002-03 | 13.3 | 4.7% | 134.4 | 5.2% | 97.1 | 4.4% | 2002-03 | 0.20 | 6.56 | 60.11 | 10.20 | 34.68 |
| 2003-04 | 13.7 | 2.7% | 145.1 | 7.9% | 107.3 | 10.4% | 2003-04 | 0.21 | 6.73 | 62.85 | 11.22 | 38.16 |
| 2004-05 | 14.0 | 2.2% | 155.0 | 6.8% | 111.1 | 3.5% | 2004-05 | 0.22 | 6.87 | 65.59 | 11.64 | 39.59 |
| 2005-06 | 14.8 | 6.3% | 172.2 | 11.1% | 126.1 | 13.5% | 2005-06 | 0.23 | 7.31 | 74.01 | 13.22 | 44.93 |
| 2006-07 | 15.2 | 2.4% | 187.1 | 8.7% | 130.8 | 3.8% | 2006-07 | 0.24 | 7.47 | 75.09 | 13.38 | 45.61 |
| 2007-08 | 16.1 | 5.9% | 199.2 | 6.5% | 141.1 | 7.9% | 2007-08 | 0.26 | 7.93 | 82.66 | 14.76 | 50.19 |
| 2008-09 | 16.3 | 1.5% | 207.9 | 4.4% | 151.9 | 7.6% | 2008-09 | 0.26 | 7.98 | 93.93 | 15.86 | 53.92 |
| 2009-10 | 16.8 | 2.6% | 215.6 | 3.7% | 159.8 | 5.2% | 2009-10 | 0.27 | 8.28 | 97.32 | 15.02 | 51.06 |
| 2010-11 | 16.2 | -3.3% | 224.1 | 4.0% | 162.2 | 1.5% | 2010-11 | 0.27 | 7.97 | 101.25 | 15.64 | 53.17 |
| 2011-12 | 16.9 | 4.3% | 238.5 | 6.4% | 180.0 | 11.0% | 2011-12 | 0.28 | 8.30 | 110.20 | 17.12 | 58.20 |
| 2012-13 | 16.4 | -3.0% | 254.9 | 6.9% | 189.1 | 5.1% | 2012-13 | 0.28 | 8.05 | 115.36 | 17.94 | 60.98 |
| 2013-14 | 17.6 | 7.3% | 264.0 | 3.6% | 196.3 | 3.8% | 2013-14 | 0.29 | 8.63 | 121.43 | 18.97 | 64.49 |
| 2014-15 | 17.7 | 0.6% | 278.0 | 5.3% | 207.1 | 5.5% | 2014-15 | 0.29 | 8.72 | 125.96 | 19.71 | 67.00 |
| 2015-16 | 18.3 | 3.4% | 292.4 | 5.2% | 215.6 | 4.1% | 2015-16 | 0.31 | 8.99 | 127.42 | 19.87 | 67.55 |
| 2016-17 | 18.8 | 2.9% | 301.9 | 3.2% | 218.2 | 1.2% | 2016-17 | 0.32 | 9.25 | 137.02 | 21.48 | 73.04 |
| 2017-18 | 18.4 | -2.3% | 319.1 | 5.7% | 234.2 | 7.3% | 2017-18 | 0.31 | 9.03 | 143.89 | 22.59 | 76.82 |
| 2018-19 | 19.2 | 4.2% | 336.9 | 5.6% | 247.5 | 5.7% | 2018-19 | 0.33 | 9.40 | 151.88 | 23.87 | 81.17 |
| 2019-20 | 18.3 | -4.7% | 371.1 | 10.2% | 271.4 | 9.7% | 2019-20 | 0.32 | 8.96 | 163.18 | 25.75 | 87.56 |
| 2020-21 | 17.7 | -3.1% | 403.0 | 8.6% | 294.5 | 8.5% | 2020-21 | 0.33 | 8.69 | 179.69 | 28.63 | 97.35 |
| 2021-22 | 21.8 | 19.3% | 413.3 | 11.4% | 283.3 | -3.8% | 2021-22 | 0.36 | 10.67 | 176.70 | 28.08 | 95.48 |

EXCISE TAX RATES AS OF JANUARY 1, 2023

Ranked by Sum of Excise and State Sales Tax (Dollars)

| Rank | Malt Liquor (Beer) per Gallon | | | Table Wine (14% alcohol) per Gallon | | | State Tax Rates On Distilled Spirits | | |
|------|-------------------------------|--------------|--------------|-------------------------------------|-------------|-------------|--------------------------------------|----------|---------|
| | State | Excise | Sales | State | Excise | Sales | State | Excise | Sales |
| 1 | Tennessee | 1.287 | 0.875 | Florida | 2.25 | 2.70 | Alabama | note (1) | Yes |
| 2 | South Carolina | 0.768 | 0.750 | Rhode Island | 1.40 | 3.15 | Alaska | 12.80 | n.a. |
| 3 | Hawaii | 0.930 | 0.500 | Iowa | 1.75 | 2.70 | Arizona | 3.00 | Yes |
| 4 | Mississippi | 0.427 | 0.875 | Tennessee | 1.21 | 3.15 | Arkansas | 2.50 | Yes |
| 5 | Florida | 0.480 | 0.750 | Illinois | 1.39 | 2.81 | California | 3.30 | Yes |
| 6 | North Carolina | 0.617 | 0.594 | New Mexico | 1.70 | 2.25 | Colorado | 2.28 | Yes |
| 7 | Utah | 0.423 | 0.763 | Virginia | 1.51 | 2.39 | Connecticut | 5.94 | Yes |
| 8 | California | 0.200 | 0.906 | New Jersey | 0.88 | 2.98 | Delaware | 4.50 | n.a. |
| 9 | Washington | 0.261 | 0.813 | Washington | 0.87 | 2.93 | Florida | 6.50 | Yes |
| 10 | Alaska | 1.070 | 0.000 | Nevada | 0.70 | 3.08 | Georgia | 3.79 | Yes |
| 11 | Arkansas | 0.234 | 0.813 | West Virginia | 1.00 | 2.70 | Hawaii | 5.98 | Yes |
| 12 | Maine | 0.350 | 0.688 | Arkansas | 0.75 | 2.93 | Idaho | note (1) | Yes |
| 13 | New Mexico | 0.410 | 0.625 | Connecticut | 0.79 | 2.86 | Illinois | 8.55 | Yes |
| 14 | Connecticut | 0.240 | 0.794 | Indiana | 0.47 | 3.15 | Indiana | 2.68 | Yes |
| 15 | Alabama | 0.533 | 0.500 | South Carolina | 0.90 | 2.70 | Iowa | note (1) | Yes |
| 16 | Nevada | 0.160 | 0.856 | Mississippi | 0.35 | 3.15 | Kansas | 2.50 | -- |
| 17 | Vermont | 0.265 | 0.750 | Alabama | 1.70 | 1.80 | Kentucky | 1.92 | Yes |
| 18 | Illinois | 0.231 | 0.781 | California | 0.20 | 3.26 | Louisiana | 3.03 | Yes |
| 19 | Minnesota | 0.148 | 0.859 | Nebraska | 0.95 | 2.48 | Maine | note (1) | Yes |
| 20 | Nebraska | 0.310 | 0.688 | Minnesota | 0.30 | 3.09 | Maryland | 1.50 | Yes |
| 21 | Kansas | 0.180 | 0.813 | Massachusetts | 0.55 | 2.81 | Massachusetts | 4.05 | -- |
| 22 | Indiana | 0.115 | 0.875 | Arizona | 0.84 | 2.52 | Michigan | note (1) | Yes |
| 23 | Rhode Island | 0.106 | 0.875 | Georgia | 1.51 | 1.80 | Minnesota | 5.03 | -- |
| 24 | Texas | 0.194 | 0.781 | Vermont | 0.55 | 2.70 | Mississippi | note (1) | Yes |
| 25 | Oklahoma | 0.403 | 0.563 | Kansas | 0.30 | 2.93 | Missouri | 2.00 | Yes |
| 26 | Louisiana | 0.403 | 0.556 | Michigan | 0.51 | 2.70 | Montana | note (1) | n.a. |
| 27 | Michigan | 0.203 | 0.750 | Kentucky | 0.50 | 2.70 | Nebraska | 3.75 | Yes |
| 28 | New Jersey | 0.120 | 0.828 | Hawaii | 1.38 | 1.80 | Nevada | 3.60 | Yes |
| 29 | Iowa | 0.190 | 0.750 | Idaho | 0.45 | 2.70 | New Hampshire | note (1) | n.a. |
| 30 | West Virginia | 0.177 | 0.750 | North Carolina | 1.00 | 2.14 | New Jersey | 5.50 | Yes |
| 31 | Virginia | 0.256 | 0.663 | Maryland | 0.40 | 2.70 | New Mexico | 6.06 | Yes |
| 32 | Idaho | 0.150 | 0.750 | Maine | 0.60 | 2.48 | New York | 6.44 | Yes |
| 33 | Ohio | 0.180 | 0.719 | Texas | 0.20 | 2.81 | North Carolina | note (1) | Yes (2) |
| 34 | Massachusetts | 0.106 | 0.781 | Dist. of Columbia | 0.30 | 2.70 | North Dakota | 2.50 | -- |
| 35 | Arizona | 0.160 | 0.700 | South Dakota | 0.93 | 2.03 | Ohio | note (1) | Yes |
| 36 | Dist. of Columbia | 0.090 | 0.750 | Ohio | 0.30 | 2.59 | Oklahoma | 5.56 | Yes |
| 37 | Maryland | 0.090 | 0.750 | Louisiana | 0.76 | 2.00 | Oregon | note (1) | n.a. |
| 38 | South Dakota | 0.274 | 0.563 | North Dakota | 0.50 | 2.25 | Pennsylvania | note (1) | Yes |
| 39 | Kentucky | 0.081 | 0.750 | Utah | | 2.75 | Rhode Island | 5.40 | Yes |
| 40 | Pennsylvania | 0.080 | 0.750 | Oklahoma | 0.72 | 2.03 | South Carolina | 2.72 | Yes |
| 41 | Georgia | 0.323 | 0.500 | Pennsylvania | 0.00 | 2.70 | South Dakota | 3.93 | Yes |
| 42 | North Dakota | 0.160 | 0.625 | Wisconsin | 0.25 | 2.25 | Tennessee | 4.40 | Yes |
| 43 | Wisconsin | 0.065 | 0.625 | Alaska | 2.50 | 0.00 | Texas | 2.40 | Yes |
| 44 | New York | 0.140 | 0.500 | Missouri | 0.42 | 1.90 | Utah | note (1) | Yes |
| 45 | Missouri | 0.060 | 0.528 | New York | 0.30 | 1.80 | Vermont | note (1) | no |
| 46 | Wyoming | 0.019 | 0.500 | Alabama | 0.00 | 1.80 | Virginia | note (1) | Yes |
| 47 | Colorado | 0.080 | 0.363 | Delaware | 1.63 | 0.00 | Washington (3) | 14.27 | -- |
| 48 | New Hampshire | 0.300 | 0.000 | Colorado | 0.28 | 1.31 | West Virginia | note (1) | Yes |
| 49 | Delaware | 0.263 | 0.000 | Montana | 1.02 | 0.00 | Wisconsin | 3.25 | Yes |
| 50 | Montana | 0.139 | 0.000 | Oregon | 0.67 | 0.00 | Wyoming | note (1) | Yes |
| 51 | Oregon | 0.084 | 0.000 | New Hampshire | 0.30 | 0.00 | Dist. of Columbia | 1.50 | -- |

Source: Excise tax rates from Federation of Tax Administrators (web).

State Sales Tax from FTA sales tax (no local rates)
Sales tax rates assume \$12.5 per gallon for beer, \$45 a gallon for wine.

n.a. = not applicable. These 5 states do not have a general sales tax.

(1) In 17 states, the government directly controls the sales of distilled spirits.

Revenue in these states is generated from various taxes, fees, price mark-ups, and net liquor profits.

(2) General sales tax applies to on-premise sales only.

(3) Washington privatized liquor sales effective June 1, 2012.