

# Revenue Update

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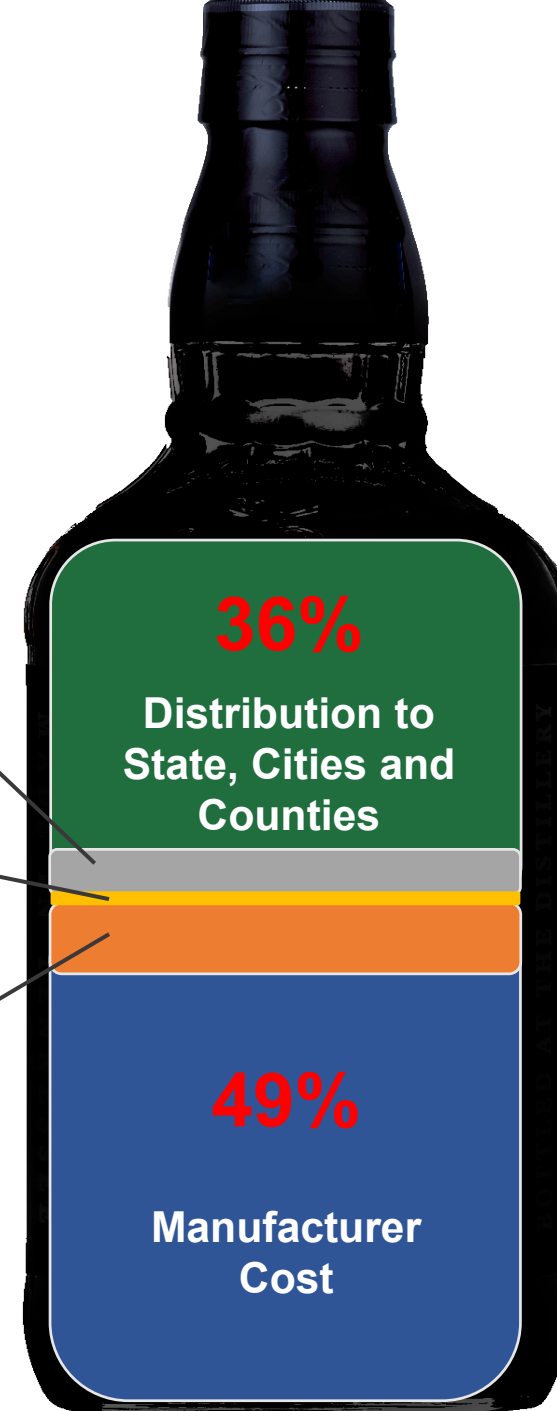
# Liquor Revenue Sources Available for Distribution

- **Net profit on distilled liquor sales (\$750 million per biennium)**
  - 36% of the gross sales of bottle of liquor
- **Wine and Beer Tax (\$40 million per biennium)**
  - \$0.67 per gallon for table wine (less than 14% ABV)
    - 2 cents per gallon goes to the Oregon Wine Board
  - \$0.77 per gallon for fortified wine (greater than 14%)
    - 2 cents per gallon goes to the Oregon Wine Board
  - \$0.08 per gallon for malt beverage
- **Liquor License Fees (\$18 million per biennium)**



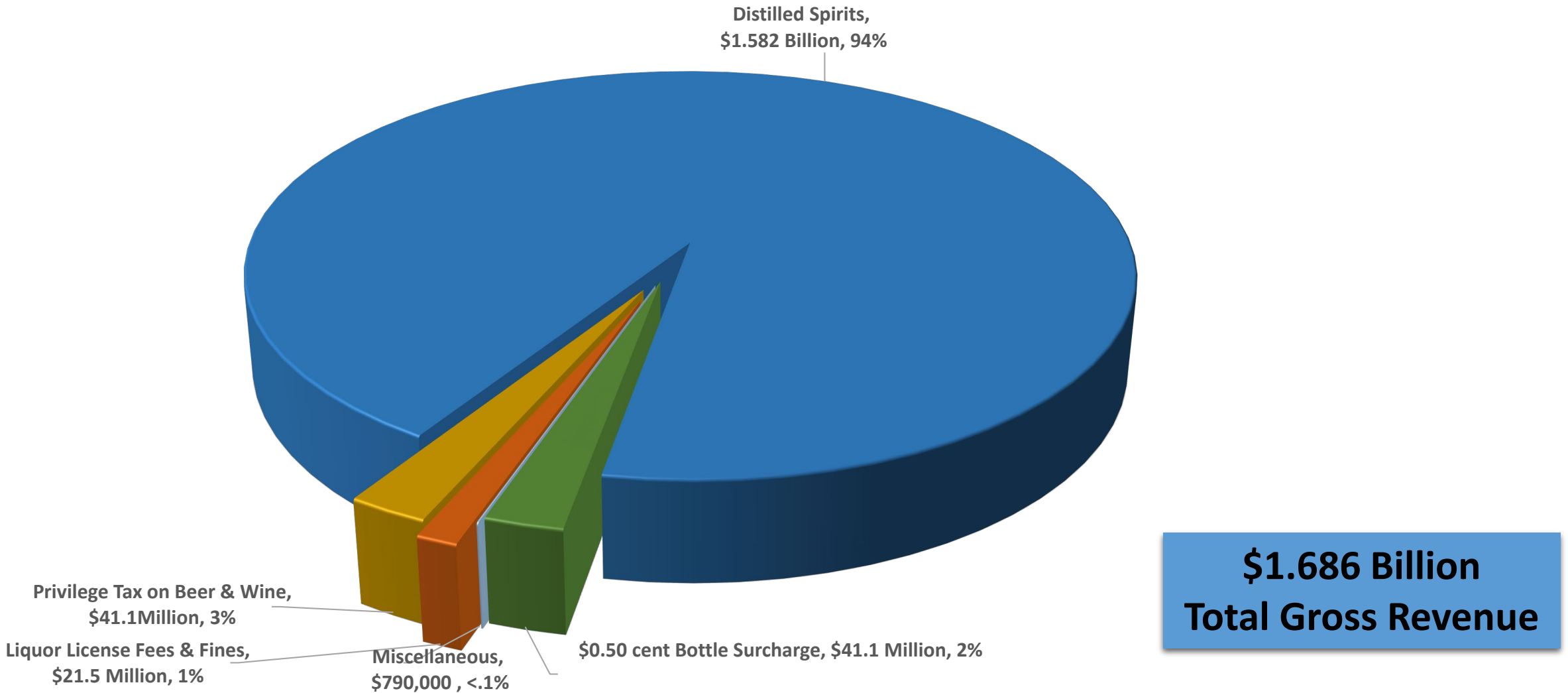
# Distilled Spirits Model

Based on Average \$17 Bottle Price



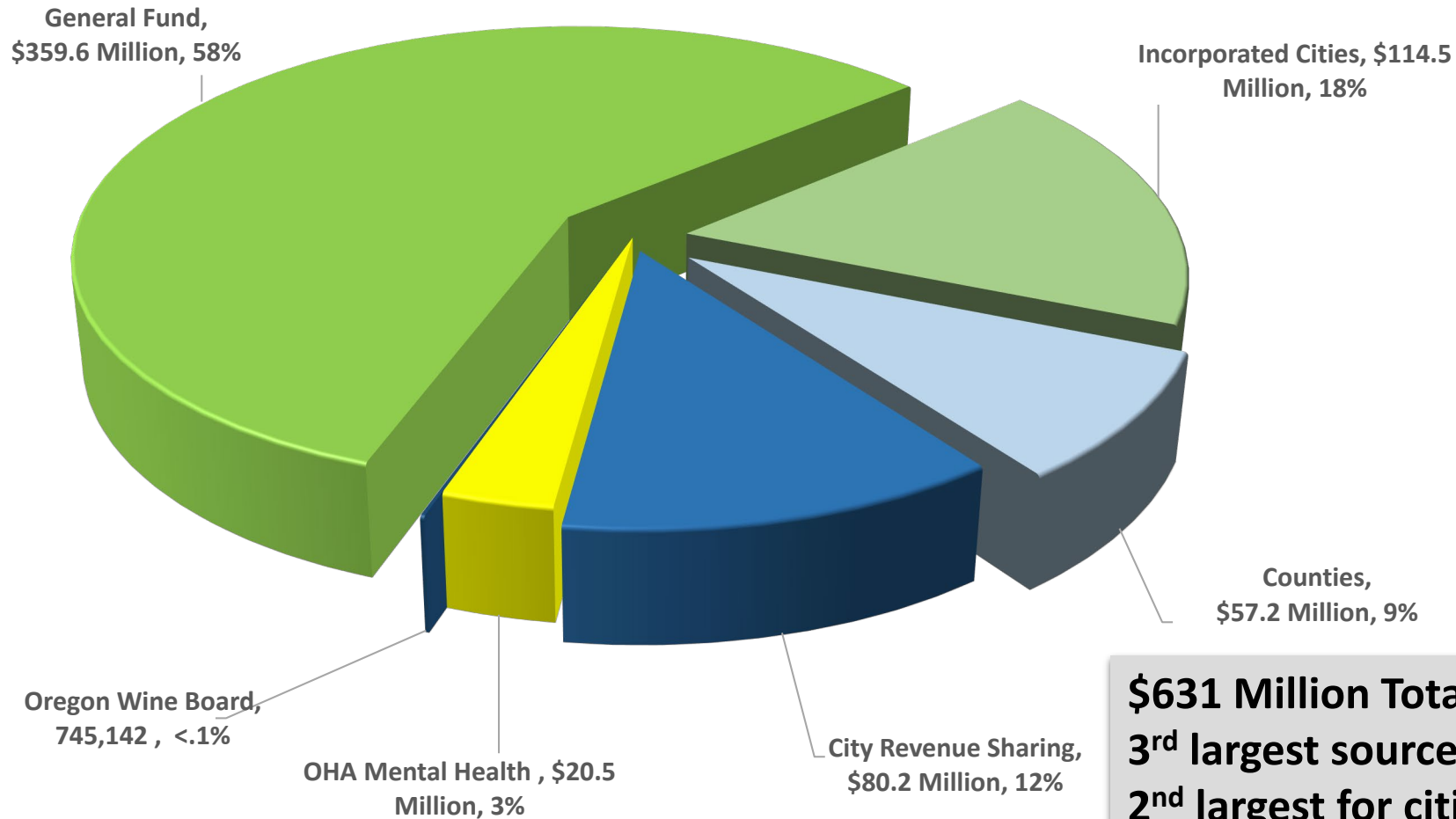
# PROJECTED GROSS ALCOHOL REVENUE SOURCES

2021-23 GOVERNOR'S BUDGET



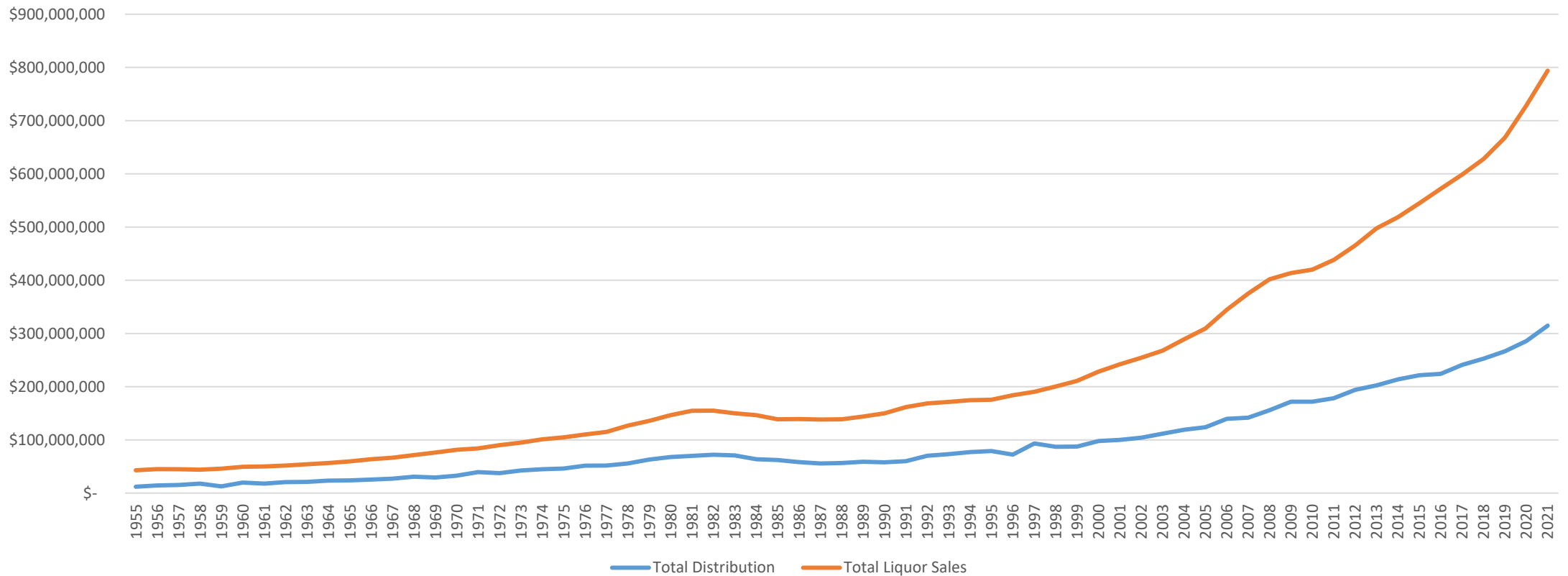
# PROJECTED ALCOHOL NET REVENUE DISTRIBUTION

2021-23 LEGISLATIVE BUDGET - All Revenue Sources -



# Historic Liquor Sales and Liquor Revenue Distribution

Oregon Liquor Sales and Liquor Revenue Distribution



# Liquor Store Sales

- CY 2019
  - \$686,008,974
  - 6% Year Over Year growth
- CY 2020
  - \$765,892,656
  - 12% Year Over Year growth
- CY 2021
  - \$813,198,090
  - 6% Year Over Year growth
- First 6 months of the biennium
  - Record \$436 million in liquor sales which is up 6.5% from previous year
  - Putting on track for a 13% biennium growth in liquor sales

# Liquor Distribution Forecast

- First 6 months of the biennium
  - Record \$436 million in liquor sales which is up 6.5% from previous year
  - Putting on track for a 13% biennium growth in liquor sales
  - Current Forecast Assumes 8% Biennium growth
- Distributed \$600.4 million last biennium (FY 2021 and 2020)
  - Up 15.6 % from previous biennium
  - “COVID Impact”
- Current 2021-23 Biennium forecast is \$631.1 Million in Distributed Revenue (net profit)
  - Through first 6 months of biennium about \$9 million over forecast
  - Caution of big expenditures coming through later in the biennium.



# Marijuana Tax Revenue Generation

- **Marijuana tax revenue is generated by sales at OLCC licensed marijuana retailers**
  - 756 licensed retailers as of Jan 15, 2022
  - Sales of products containing THC taxed at 17%,
  - Retailers may retain 2% to cover their cost of collection
  - Local governments must opt-in may to collect an extra 3%
- **2019-21 recorded \$311.4 million in marijuana tax revenue collections (Department of Revenue)**

# Recreational Marijuana Sales Revenue

- Calendar Year 2019
  - \$0.785 billion
- Calendar Year 2020
  - \$1.111 billion
  - 41% growth in sales during the during pandemic
- Calendar Year 2021
  - \$1.184 billion

# Marijuana Tax Revenue

- Tax Collections in 2017-2019 Biennium
  - \$184,298,677
- Tax Collections in 2019-2021 Biennium
  - \$311,412,837
  - Increased 37% during COVID
- Forecast Tax Collections in 2021-23 Biennium
  - \$355.5 million
- Tax Collections Related To Marijuana Sales Go Primarily to Alcohol and Drug Treatment after Ballot Measure 110



# OLCC'S MISSION

Support businesses, public safety,  
and community livability  
through education and the enforcement  
of liquor and marijuana laws.

