
SUBSTITUTE SENATE BILL 5368

State of Washington

69th Legislature

2025 Regular Session

By Senate Labor & Commerce (originally sponsored by Senator Chapman)

READ FIRST TIME 02/18/25.

1 AN ACT Relating to studying taxes and fees related to alcohol;
2 creating a new section; and providing an expiration date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** (1) The Washington state institute for
5 public policy must conduct a study regarding Washington state's
6 current system of alcohol taxation and fees and produce a final
7 report as described in this section. The report is specific to taxes
8 and fees where the amount of the tax or fee is based on the sales
9 price, sales volume, or alcohol content of the alcohol product.

10 (2) The final report must include the following information:

11 (a) The specific types of state taxes and fees applicable to
12 spirits, beer, and wine, by product category, and including general
13 taxes such as sales and business and occupation taxes;

14 (b) Current and historical tax and fee rates by tax or fee type;

15 (c) Annual sales in the state of spirits, wine, and beer in total
16 and per capita over the past five years;

17 (d) Annual spirits, wine, and beer tax and fee revenues generated
18 in the state over the past five years in total and by tax or fee
19 type;

1 (e) Annual spirits, wine, and beer tax and fee revenues per
2 capita generated in the state over the past five years in total and
3 by tax or fee type;

4 (f) To the extent practicable, an analysis of total and per
5 capita spirits sales and related tax and fee revenues in other
6 states, differentiated by whether the sale of off-premises spirits is
7 controlled by the state or allowed by licensed private entities;

8 (g) To the extent practicable, an analysis of total and per
9 capita spirits sales and related tax and fee revenues in other states
10 and countries differentiated by whether spirits taxation is based on
11 volume, price, or alcohol content; and

12 (h) To the extent practicable, an analysis of total and per
13 capita spirits, beer, and wine sales and tax and fee revenues in this
14 state and other states by each applicable unit of measurement of
15 alcohol content and volume, differentiated by product category.

16 (3) The Washington state institute for public policy must submit
17 a final report to the relevant committees of the legislature by
18 December 31, 2025.

19 (4) The liquor and cannabis board and department of revenue must
20 cooperate with the Washington state institute for public policy to
21 provide data relevant to this study.

22 (5) This section expires January 1, 2026.

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