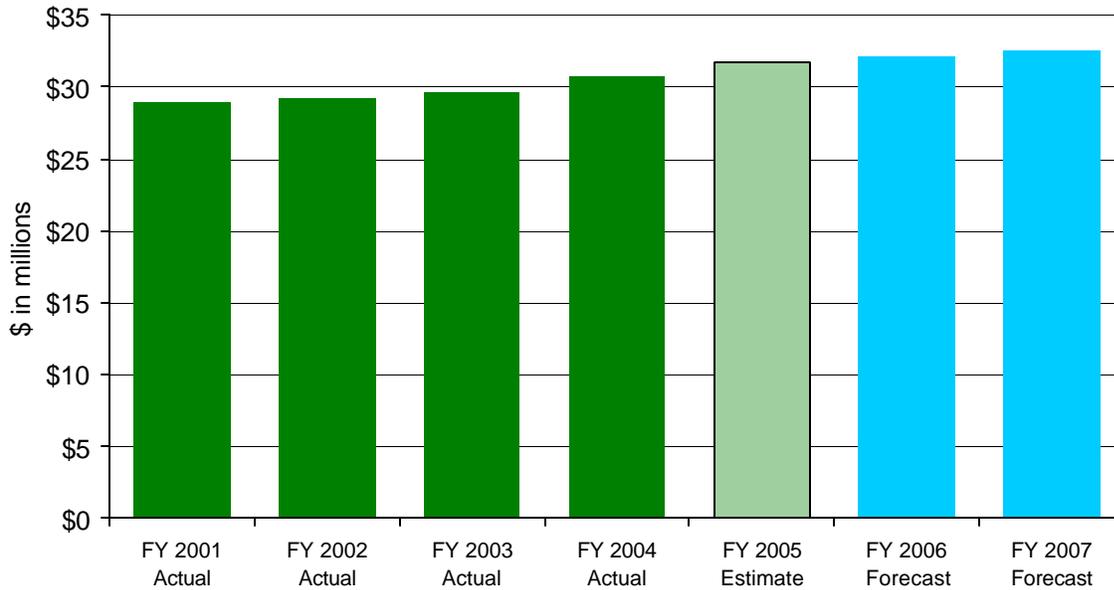


Liquor Gallonage Tax

GRF Revenues from the Liquor Gallonage Tax
 (in millions)



	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
	Actual	Actual	Actual	Actual	Estimate	Forecast	Forecast
Revenue	\$29.0	\$29.3	\$29.7	\$30.8	\$31.7	\$32.1	\$32.6
Growth	3.2%	1.0%	1.4%	3.7%	3.0%	1.3%	1.3%

The Liquor Gallonage Tax is levied at the rate of \$3.38 per gallon of spirituous liquor. This is the equivalent of 57.6 cents per standard 750 ml bottle. Revenue from this tax is deposited into the General Revenue Fund.

Important determinants of alcohol consumption slowly change over time. The secular decline in overall per capita consumption appears to have reversed in the last few years. The relative importance of other variables such as disposable income as a determinant of demand for liquor may have increased. Also, a larger selection of spirituous liquor brands and the removal of certain restrictions on Sunday liquor sales (Sub. S.B. 164, 125th General Assembly) will sustain small year-over-year increases in tax receipts. The forecast of liquor gallonage tax is based on trend analysis of wholesale and retail gallonage sales of liquor in Ohio.