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# Empire State Restaurant & Tavern Association

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*Report From The Executive Director...Scott Wexler*

## Summer 2022

Liquor Authority Starts Process to Adopt New Split Case Fee Rule - After approving the action last month, the State Liquor Authority's proposed new split case fee rule was published in the June 29<sup>th</sup> NYS Register, formally initiating a 60-day period for the public to comment on the proposal. As we reported in the last issue and as the Albany Times Union has also reported, the Authority is proposing to establish a cap on split case fees charged by wine & liquor wholesalers of \$7.39 per case (or 62 cents per bottle in a 12-bottle case) compared to the current split case fees charged by Empire (\$30.00 per case) and Southern (\$36.00 per case fee).

Now that the public comment period has begun it's important that the State Liquor Authority hear from those of you who will benefit from this change. In a brief note tell the Liquor Authority:

Your name  
Name of your business  
Where your business is located  
How long you've been in business  
How many people you employ  
How adopting this new rule will benefit you

The most common examples of how this new rule might benefit you include lower costs and greater flexibility to stock limited items. A tavern that buys one split case from each major wholesaler each week will pay about \$3,500 in split cases fees over the course of a year. Imagine what you can do with that money in your pocket. Similarly, if you won't be surcharged several dollars on each bottle in a split case, it's more affordable (and more likely) that you'll order more diverse products providing greater options for your patrons.

It's very important we fill the SLA's mailbox with comments from small business owners supporting this change. You can send your comments via email to [paul.karamanol@sla.ny.gov](mailto:paul.karamanol@sla.ny.gov) or you can send a letter the old-fashioned way to:

Paul Karamanol  
Senior Attorney  
State Liquor Authority  
80 South Swan Street  
Suite 900  
Albany, NY 12210

The Liquor Authority will also hold a public hearing on the proposed split case fee cap as part of their regular Full Board Meeting on September 14<sup>th</sup>. In addition to submitting written comments supporting the proposed split case fee cap, you can appear at the SLA Board Meeting and make comments as part of the public hearing. The State Liquor Authority meeting takes place in New York City, but you can participate remotely from their Albany or Buffalo office. It's a simple process. Contact our office for more information about submitting comments or appearing at the public hearing.

Check Eligibility for COVID-19 Capital Cost Tax Credit - The State has established a \$250 million fund to help small businesses that made investments to comply with emergency orders and regulations or to increase public safety and they've created an online intake tool to help you determine your eligibility for this tax credit program. All small businesses deemed eligible will be provided a program application.

Tax credits will cover 50 percent of eligible costs, up to \$50,000, for a maximum tax credit award of \$25,000. Credits will be awarded on a first come first serve basis until program funds are exhausted. Eligible COVID-19-related costs include, but are not limited to:

- Supplies to disinfect or protect against COVID-19 transmission
- Costs associated with expanding or defining space to accommodate social distancing
- HVAC equipment
- Expenses related to increased outdoor activity and outdoor space expansions
- Machinery and equipment to facilitate contactless sales

Eligible businesses must operate a location in New York State, have 100 or fewer employees, \$2.5 million or less of gross receipts in the 2021 tax year, and at least \$2,000 in eligible costs between January 1, 2021 and December 31, 2022. To receive a credit for your 2022 tax return you must receive a certificate from the State on or before December 31, 2022. For more information visit [esd.ny.gov/covid-19-capital-cost-tax-credit](https://esd.ny.gov/covid-19-capital-cost-tax-credit).

City of New York Suspends Liquor License Surcharge - The New York City Council and Mayor Eric Adams worked together to pass a local law that suspends the city's liquor license surcharge for one year. The surcharge on all alcohol beverage licenses adds 25 percent to the cost of a license to help fund New York City Government. This action suspends the surcharge for one year, retroactive to June 1, 2022. It is estimated that this will save business owners \$6.5 million over the next year.

Big Bucks Drawing Tickets Now Available - We're conducting the annual Big Bucks Drawing this year on October 25<sup>th</sup> at our Fall Board Meeting and tickets are now available. An application is enclosed with this mailing if you want to purchase a ticket. Send it back to our office along with your \$100 check and we'll send your ticket and a copy of your completed ticket stub. Get your payment in by the Early Bird Drawing on September 15<sup>th</sup> for a chance to win an extra \$1000. We're hoping every member will buy or sell at least one ticket to help support our biggest fundraiser of the year.