
OLR Bill Analysis

SB 1456

AN ACT DEDICATING A PORTION OF THE MEALS TAX REVENUE TO ARTS, CULTURE AND TOURISM.

SUMMARY

This bill diverts 10% of the revenue from the 1% meals and beverage tax to the Tourism Fund each quarter, starting with the quarter ending on September 30, 2025. Under current law, the Tourism Fund receives 10% of room occupancy tax revenue each quarter.

EFFECTIVE DATE: July 1, 2025, and applicable to sales occurring on or after that date.

BACKGROUND

1% Meals and Beverage Tax

The 1% meals and beverage tax applies in addition to the state's 6.35% sales and use tax, for a combined 7.35% tax on these sales.

By law, the tax applies to sales of (1) meals sold by eating establishments, caterers, or grocery stores and (2) liquors, soft drinks, sodas, and beverages ordinarily dispensed at, or in connection with, bars and soda fountains. A "meal" is food sold in ready-to-eat form or wrapped as "take-out" or "to-go" to be eaten elsewhere. An "eating establishment" includes a restaurant, cafeteria, grinder shop, pizzeria, drive-in, fast food outlet, ice cream truck, hot dog cart, refreshment stand, sandwich shop, private and social club, cocktail lounge, tavern, diner, snack bar, and hotel or boarding house that furnishes both lodging and meals to its guests (CGS § 12-412(13)).

COMMITTEE ACTION

Commerce Committee

Joint Favorable Change of Reference - APP
Yea 20 Nay 0 (03/13/2025)

Appropriations Committee

Joint Favorable
Yea 44 Nay 10 (04/24/2025)