

Oregon: Rainier Liquor Store sitting pretty as Washington prices climb

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By Erik Olson

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The Rainier Liquor Store is bustling with Washington state customers fleeing higher prices under the state's new liquor privatization system.

Owner Traci Brumbles Monday said business at her store, less than five minutes from the state border, has jumped 20 percent to 30 percent over the last week. The mid-week, temporary closure of the Triangle Center liquor store in Longview started funneling customers to Rainier, and higher prices in Washington increased the flood of customers, she said.

"You can shop here and have no hidden taxes," Brumbles said.

On Friday, under voter-passed Initiative 1183, Washington retailers started selling spirits for the first time since the Prohibition Era began in 1920. While consumers were pleased at the convenience and broader availability, they were shocked by the 20.5 percent liquor sales tax and \$3.77 per liter tax applied at the cash register at Washington stores. Most liquor prices rose at least 10 percent compared to the prices offered by the former state-run system.

Oregon prices are set by the state and have traditionally been a couple dollars lower per bottle than Washington, and now the difference is even larger. For example, a fifth Jack Daniels is \$21.95 in Rainier, compared to \$26.31 including taxes at the Longview Fred Meyer - a comparison Brumbles highlighted in several in-store advertisements.

Brumbles said her five employees have kept busy helping dozens of new faces from the Washington side of the Columbia River. In fact, most of the license plates of cars in front of the store Monday were from Washington.

"It's like, 'Have you ever seen that person before? Nope? Oh, a newbie!" said Brumbles, who has owned the Rainier store 11 years.

Like many consumers, Randy Lake, 64 of Longview, was surprised at the high markup when he bought a bottle of Black Velvet whiskey at Safeway in Longview over the weekend. A contractor at the nearby U.S. Gypsum wallboard plant, Lake said it's convenient for him to stop at the Rainier Liquor Store.

"I probably will keep on coming over here, if that's the way it's going to be," Lake said while picking out a bottle of vodka Monday.

Kris Delaney, a 60-year-old retiree from Winlock, said she's stopped at Rainier for years to save a few dollars on liquor. She said she supported liquor privatization in Washington until she saw the end result. The fees and taxes on private liquor sales were included the initiative to help the state recoup revenues it would lose from liquor sales.

"Until I found out the tax was added on -a big one," said Delaney, who bought two half gallons of R&R whiskey and a half gallon of Monarch vodka Monday.

Washington has no laws preventing consumers from bringing Oregon liquor across the border. Buyers are technically supposed to pay additional taxes if they return to Washington with the booze, but there's no system in place to prevent it, according to the state's Department of Revenue.

"Practically speaking, it's not something we're going to be out enforcing. It's a logistical nightmare," Revenue spokesman Mike Gowrylow said.

The state does regulate purchases of spirits by Washington bar and restaurant owners, according to the state's Liquor Control Board.