

Regular Session, 2015

HOUSE BILL NO. 233

BY REPRESENTATIVE ADAMS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ALCOHOLIC BEVERAGES: Authorizes the permitting and operation of microdistilleries in Louisiana

1 AN ACT

2 To amend and reenact R.S. 26:2(13) through (24) and 71(A)(3)(d) and to enact R.S. 26:2(25)
3 and (26), 71(A)(3)(e), and 71.3, relative to microdistillery permits; to provide for
4 definitions; to establish criteria for microdistillery permitting; to provide for permit
5 fees; to provide for the taxation of beverages produced by a microdistiller; and to
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 26:2(13) through (24) and 71(A)(3)(d) are hereby amended and
9 reenacted and R.S. 26:2(25) and (26), 71(A)(3)(e), and 71.3 are hereby enacted to read as
10 follows:

11 §2. Definitions

12 For purposes of this Chapter, the following terms have the respective
13 meanings ascribed to them in this Section, unless a different meaning clearly appears
14 from the context:

15 * * *

16 (13) "Microdistiller" means any person who operates a microdistillery.

17 (14) "Microdistillery" means a retail outlet where a microdistiller engages
18 in the distilling, making, blending, rectifying, or processing of any alcoholic
19 beverage in Louisiana in quantities of not more than twelve thousand gallons per
20 year for retail sale for consumption on or off the licensed premises in accordance

1 with the provisions of this Chapter and regulations, if any, promulgated by the
2 commissioner.

3 ~~(13)~~ (15) "Outlet" means a place where any person draws or removes any
4 alcoholic beverage from its container for consumption on the premises.

5 ~~(14)~~ (16) "Package house-Class B" means a place consisting of no less than
6 five hundred square feet of public habitable area which sells alcoholic beverages in
7 factory sealed containers for transportation and consumption off the premises and
8 where no person is allowed to tamper with or otherwise disrupt the manufacturer's
9 seal on or about the licensed premises.

10 ~~(15)~~ (17) "Regulated beverage" means any alcoholic beverage.

11 ~~(16)~~ (18) "Solicitor" means any person who offers for sale or solicits any
12 orders for the sale of any regulated beverage, other than in a regularly established
13 and licensed place of business in this state, for delivery or shipment to any point in
14 the state, whether done as owner, agent, or servant.

15 ~~(17)~~ (19) "Sparkling wine" means any effervescent alcoholic beverage
16 derived from the juice of any fruit, or synthesis thereof, charged with carbon dioxide,
17 either artificially or as the result of secondary fermentation within the container.

18 ~~(18)~~ (20) "Still wine" means any non-effervescent alcoholic beverage
19 derived from the juice of any fruit, or synthesis thereof.

20 ~~(19)~~ (21) "Supplier" means any person, other than a wine producer, who
21 manufactures, makes, blends, rectifies, distills, processes, or purchases alcoholic
22 beverages outside the state of Louisiana and imports, sells, offers for sale, solicits
23 orders for sale, distributes, or delivers such alcoholic beverages in Louisiana.

24 ~~(20)~~ (22) "Wholesale dealer" means a person who sells alcoholic beverages
25 of high alcoholic content to licensed wholesale dealers or licensed retail dealers
26 exclusively, within the state or to any person for delivery beyond the borders of the
27 state to a licensed dealer in that state and who conducts a bona fide wholesale
28 business and maintains a warehouse or warehouses for the storage and warehousing
29 of alcoholic beverages of high alcoholic content in the area where domiciled and

1 licensed by the state, and conducts and maintains systematic and regular
2 solicitations, distribution, deliveries, and sales of the beverages to licensed retail
3 dealers located within the boundary of each parish, municipality, or geographic area,
4 as contractually defined between the wholesaler and his supplier, in which the
5 wholesale dealer makes any sale or delivery.

6 ~~(21)~~ (23) "Wine package house" means a place where a person sells only
7 sparkling wine and still wine in the original package or closed container, prepared
8 for transportation and consumption off the premises.

9 ~~(22)~~ (24) "Wine producer" means any person who, directly or indirectly,
10 personally or through any agency, cultivates and grows grapes, fruits, berries, honey,
11 or vegetables from which wine of an alcoholic content in excess of six percent by
12 volume is produced and bottled from a fermentation of such grapes, fruits, berries,
13 honey, or vegetables in Louisiana or outside the state for shipments to licensed
14 wholesale dealers within the state subject to the provisions of R.S. 26:364.

15 ~~(23)~~ (25) "Winery" means a plot of land located in Louisiana used to
16 cultivate and grow grapes, fruits, berries, honey, or vegetables for the purpose of
17 fermenting such grapes, fruits, berries, honey, or vegetables to produce and bottle
18 wine of an alcoholic content in excess of six percent by volume.

19 ~~(24)~~ (26) "Wine wholesaler" means any dealer who sells only sparkling wine
20 and still wine to other licensed wholesale dealers or to licensed retail dealers for
21 resale within the state.

22 * * *

23 §71. Permits required; fees; exception

24 A. Except as provided in Subsections B and C of this Section, before
25 engaging in the business of manufacturing, supplying, or dealing in alcoholic
26 beverages, all persons shall obtain from the commissioner, according to established
27 rules and regulations, a permit to conduct each separate business and shall pay the
28 commissioner a fee not to exceed the amounts provided for in the following schedule

1 and in accordance with regulations promulgated pursuant to the provisions of the
2 Administrative Procedure Act for each year the permit is valid:

3 * * *

4 (3) Retailers - (a) There shall be three types of Class A retail liquor permits:

5 * * *

6 (d) Microdistiller, which authorizes the holder of a Retailers Class A permit
7 to engage in the distilling, making, blending, rectifying, or processing of any
8 alcoholic beverage in Louisiana at a single location in an amount not to exceed
9 twelve thousand gallons per year, and which further authorizes the sale at retail of
10 such distilled beverages from that location-one thousand dollars.

11 (e) A fee of one hundred dollars for each one hundred thousand dollars of
12 gross retail liquor sales, after the first one hundred thousand dollars of gross retail
13 liquor sales, shall be levied according to the schedule below which shall be in
14 addition to those fees enumerated in Subparagraphs (a) and (b) of Paragraph (3) of
15 this Subsection:

GROSS SALES	ADDITIONAL FEES
\$0.00 to \$99,999.99	-0-
\$100,000.00 to \$199,999.99	\$100.00
\$200,000.00 to \$299,999.99	\$200.00
\$300,000.00 to \$399,999.99	\$300.00
\$400,000.00 to \$499,999.99	\$400.00
\$500,000.00 to \$599,999.99	\$500.00
\$600,000.00 and over	\$600.00

24 * * *

25 §71.3. Microdistillery; retail sales for consumption on or off premises

26 A. Any person who has properly obtained a microdistiller's permit as
27 provided for in R.S. 26:71, shall be authorized to engage in the distilling, making,
28 blending, rectifying, or processing of any alcoholic beverage in Louisiana in a
29 quantity not to exceed twelve thousand gallons during the licensed year. The holder

1 of such permit shall also be authorized to sell the manufactured beverages at retail
 2 for consumption on or off the licensed premises, if the holder also has been issued
 3 a Retailer Class A permit.

4 B. The provisions of this Section shall not authorize the holder of a
 5 microdistiller's permit to sell the manufactured beverages at wholesale or to any
 6 wholesale dealer.

7 C. The microdistiller shall not sell any alcoholic beverages for transportation
 8 off the premises to any other licensed alcoholic beverage retail dealer.

9 D. Beverages produced by a microdistiller shall be taxed in the same manner
 10 and at the same rate as beverages produced by other manufacturers, as provided by
 11 law.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 233

Regular Session, 2015

Adams

Abstract: Establishes a microdistillery permit for holders of a Retailers Class A permit and provides relative to fees and requirements.

Present law provides for definitions relative to alcoholic beverages.

Proposed law retains present law and adds definitions for the following:

- (1) "Microdistiller" means any person who operates a microdistillery.
- (2) "Microdistillery" means a retail outlet where a microdistiller engages in the distilling, making, blending, rectifying, or processing of any alcoholic beverage in La. in quantities of not more than 12,000 gallons per year for retail sale and consumption on or off the licensed premises.

Proposed law establishes a microdistiller permit of \$1,000, authorizes the holder of a Retailers Class A permit to obtain such permit, and further provides that alcoholic beverages sold by a microdistiller are taxed at the same rate and in the same manner as all other alcoholic beverages.

Proposed law prohibits the holder of a microdistiller permit from selling the manufactured beverages at wholesale or to any wholesale dealer or from selling to any other licensed retail dealer.

(Amends R.S. 26:2(13-24) and 71(A)(3)(d); Adds R.S. 26:2(25) and (26), 71(A)(3)(e), and 71.3)