



# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

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Legislative Document

No. 1015

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S.P. 294

In Senate, February 26, 2019

### An Act To Support Maine Craft Distillers

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Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator LUCHINI of Hancock.  
Cosponsored by Speaker GIDEON of Freeport and  
Representative: MADIGAN of Waterville.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 28-A MRSA §1355-A, sub-§5, ¶G,** as amended by PL 2015, c. 440, §1,  
3 is further amended to read:

4 G. Notwithstanding paragraph D, a holder of a small distillery license licensed under  
5 paragraph B, subparagraph (3) to operate a retail location for off-premises  
6 consumption may pay the bureau the difference between the distillery's price charged  
7 to the bureau and the discounted list price charged by the bureau when a distillery  
8 purchases its own spirits to be sold at retail from its off-premises location. A small  
9 distillery is not required to transport spirits that will be sold for off-premises  
10 consumption under paragraph B, subparagraph (3) to a warehouse operated by the  
11 bureau or by a wholesaler contracted by the bureau under section 90 for distribution  
12 to the location where the small distillery is authorized to sell spirits produced by the  
13 small distillery for off-premises consumption. A holder of a small distillery license  
14 shall record the quantity of spirits sold for off-premises consumption that were not  
15 transported to a warehouse as described in this paragraph and submit monthly reports  
16 of this information, along with the full amount of state liquor tax due as prescribed by  
17 chapter 65, to the bureau in a manner prescribed by the bureau. A holder of a small  
18 distillery license is not liable for any bailment or distribution fees imposed by a  
19 warehouse operated by the bureau or by a wholesaler contracted by the bureau under  
20 section 90 for spirits sold for off-premises consumption that were not transported to a  
21 warehouse as described in this paragraph.

22 **Sec. 2. 28-A MRSA §1355-A, sub-§5, ¶H,** as enacted by PL 2015, c. 440, §2, is  
23 amended to read:

24 H. Notwithstanding paragraph D, a holder of a small distillery license licensed under  
25 paragraph E to operate a location licensed under chapter 43 for on-premises  
26 consumption may pay the bureau the difference between the distillery's price charged  
27 to the bureau and the discounted list price charged by the bureau when a distillery  
28 purchases its own spirits to be sold at its on-premises location. A small distillery is  
29 not required to transport spirits that will be sold for on-premises consumption under  
30 paragraph E to a warehouse operated by the bureau or by a wholesaler contracted by  
31 the bureau under section 90 for distribution to the location where the small distillery  
32 is authorized to sell spirits produced by the small distillery for on-premises  
33 consumption. A holder of a small distillery license shall record the quantity of spirits  
34 sold for on-premises consumption that were not transported to a warehouse as  
35 described in this paragraph and submit monthly reports of this information, along  
36 with the full amount of state liquor tax due as prescribed by chapter 65, to the bureau  
37 in a manner prescribed by the bureau. A holder of a small distillery license is not  
38 liable for any bailment or distribution fees imposed by a warehouse operated by the  
39 bureau or by a wholesaler contracted by the bureau under section 90 for spirits sold  
40 for on-premises consumption that were not transported to a warehouse as described in  
41 this paragraph.

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## SUMMARY

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This bill exempts the holder of a small distillery license from bailment or other

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distribution fees if the product sold by that license holder, either for on-premises or off-

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premises consumption, was not transported to a warehouse operated by the State or a

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wholesaler contracted by the State.