

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Assist Small Distilleries

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

Sec. 1. 28-A MRSA §1355-A, sub-§5, ¶G, as enacted by PL 2013, c. 359, §1, is amended to read:

~~G. Notwithstanding paragraph D, a holder of a small distillery license that produces less than 25,000 gallons of spirits annually and is licensed under paragraph B, subparagraph (3) to operate a retail location for off-premises consumption may pay the alcohol bureau the difference between the distillery's price charged to the alcohol bureau and the discounted list price charged by the bureau when a distillery purchases its own spirits to be sold at retail from its off-premises location. The alcohol bureau shall establish a procedure to allow a distillery to purchase spirits produced by the distillery for sale at a retail location as described in this paragraph. A small distillery is not required to transport spirits that will be sold for off-premises consumption under paragraph B, subparagraph (3) to a warehouse operated by the bureau or by a wholesaler contracted by the bureau under section 90 for distribution to the location where the small distillery is authorized to sell spirits produced by the small distillery for off-premises consumption. A holder of a small distillery license shall record the quantity of spirits sold for off-premises consumption that were not transported to a warehouse as described in this paragraph and submit monthly reports of this information, along with the full amount of state liquor tax due as prescribed by chapter 65, to the bureau in a manner prescribed by the bureau.~~

Sec. 2. 28-A MRSA §1355-A, sub-§5, ¶H is enacted to read:

H. Notwithstanding paragraph D, a holder of a small distillery license licensed under paragraph E to operate a location licensed under chapter 43 for on-premises consumption may pay the bureau the difference between the distillery's price charged to the bureau and the discounted list price charged by the bureau when a distillery purchases its own spirits to be sold at its on-premises location. A small distillery is not required to transport spirits that will be sold for on-premises consumption under paragraph E to a warehouse operated by the bureau or by a wholesaler contracted by the bureau under section 90 for distribution to the location where the small distillery is authorized to sell spirits produced by the small distillery for on-premises consumption. A holder of a small distillery license shall record the quantity of spirits sold for on-premises consumption that were not transported to a warehouse as described in this paragraph and submit monthly reports of this information, along with the full amount of state liquor tax due as prescribed by chapter 65, to the bureau in a manner prescribed by the bureau.

SUMMARY

Under current law small distillers licensed to manufacture spirits in the State are authorized to have up to 2 locations where they may sell their product for off-premises consumption and one license to serve

alcoholic beverages for on-premises consumption. This bill provides that small distillers, distillers who produce up to 50,000 gallons annually, are not required to transport their spirits to a warehouse operated by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations or the bureau's contracted wholesaler for distribution back to the distillers' facilities where they will be sold. The bill requires that small distillers submit monthly reports to the bureau on spirits not transported to a warehouse and pay the required state liquor tax.