

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

S

2

SENATE BILL 713
Rules and Operations of the Senate Committee Substitute Adopted 5/19/11

Short Title: Spirituous Liquor Sales - Distilleries.

(Public)

Sponsors:

Referred to:

April 20, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW DISTILLERIES IN NORTH CAROLINA TO SELL, TO PATRONS
3 WHO HAVE PARTICIPATED IN A TOUR OF A DISTILLERY, AT RETAIL
4 SPIRITUOUS LIQUOR THAT HAS BEEN DISTILLED AT THE LICENSED
5 DISTILLERY FOR THE PRICE SET BY THE NORTH CAROLINA ALCOHOLIC
6 BEVERAGE CONTROL COMMISSION OF THAT PARTICULAR BRAND OF SPIRIT
7 TO INCLUDE ALL APPLICABLE EXCISE AND SALES TAXES.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 18B-1105 reads as rewritten:

10 "§ 18B-1105. Authorization of distillery permit.

11 (a) Authorized Acts. – The holder of a distillery permit may:

- 12 (1) Manufacture, purchase, import, possess and transport ingredients and
13 equipment used in the distillation of spirituous ~~liquor~~; liquor.
- 14 (2) Sell, deliver and ship spirituous liquor in closed containers at wholesale to
15 exporters and local boards within the State, and, subject to the laws of other
16 jurisdictions, at wholesale or retail to private or public agencies or
17 establishments of other states or ~~nations~~; nations.
- 18 (3) Transport into or out of the distillery the maximum amount of liquor allowed
19 under federal law, if the transportation is related to the distilling process.
- 20 (4) In an area where the establishment of an ABC store has been approved
21 pursuant to G.S. 18B-602(g) and at those distilleries which hold tours of the
22 distillery and its full operation as a regular course of business, sell spirituous
23 liquor distilled at the distillery, in closed containers, to patrons who
24 participate in tours of the distillery, at retail on the premises of the distillery
25 for consumption off the premises. Spirituous liquor sold at a distillery
26 pursuant to this subdivision shall be sold at the price set by the Commission
27 for that brand of spirit to include all applicable excise and sales taxes. All
28 excise and sales taxes shall be remitted by the permittee to the Department
29 of Revenue. Retail sales of spirituous liquor pursuant to this subdivision
30 shall be subject to the provisions of G.S. 18B-802. Sales of spirituous liquor
31 to a tour group on a prearranged tour of the distillery may occur between the
32 hours of 9 A.M. and 9 P.M. on any day the sale of spirituous liquor at an
33 ABC store is authorized by G.S. 18B-802. Sales of spirituous liquor to
34 patrons who participate in walk-in tours shall occur only between the hours
35 of 2 P.M. and 8 P.M. on any day the sale of spirituous liquor is authorized at
36 an ABC store by G.S. 18B-802. With respect to spirituous liquor, a permittee
37 may sell no more than two liters per product label produced on site by the



1 distillery in a single business day to any patron participating in a tour. In
2 addition to the two liters per product label produced on site by the distillery,
3 as authorized by this subdivision, a permittee may sell up to four 50 ml
4 bottles of spirituous liquor in a single business day to any patron
5 participating in a tour. The Commission shall adopt rules regulating the retail
6 sale of spirituous liquor at distilleries.

7 (b) Distilleries for Fuel Alcohol. – Any person in possession of a Federal Operating
8 Permit pursuant to Title 27, Code of Federal Regulations, Part 201.64 through 201.65 or Part
9 201.131 through 201.138 shall obtain a fuel alcohol permit before manufacturing any alcohol.
10 The permit shall entitle the permittee to perform only those acts allowed by the Federal
11 Operating Permit, and all conditions of the Federal Operating Permit shall apply to the State
12 permit."

13 **SECTION 2.** This act becomes effective October 1, 2011.