

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 107

Short Title: Liquor Sales - Permitted Distilleries. (Public)

Sponsors: Representatives J. Bell, Hager, B. Brown, and Hanes (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Alcoholic Beverage Control, if favorable, Finance.

February 27, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW DISTILLERY PERMIT HOLDERS TO SELL SPIRITUOUS LIQUOR
3 DISTILLED ON PREMISES TO VISITORS OF THE DISTILLERY FOR
4 CONSUMPTION OFF THE PREMISES AND TO EXPAND THE LIST OF PLACES AT
5 WHICH FREE SPIRITUOUS LIQUOR TASTINGS MAY BE HELD.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 18B-1105(a) reads as rewritten:

8 "(a) Authorized Acts. – The holder of a distillery permit ~~may~~ may do any of the
9 following:

- 10 (1) Manufacture, purchase, import, possess and transport ingredients and
11 equipment used in the distillation of spirituous ~~liquor~~ liquor.
- 12 (2) Sell, deliver and ship spirituous liquor in closed containers at wholesale to
13 exporters and local boards within the State, and, subject to the laws of other
14 jurisdictions, at wholesale or retail to private or public agencies or
15 establishments of other states or ~~nations~~ nations.
- 16 (3) Transport into or out of the distillery the maximum amount of liquor allowed
17 under federal law, if the transportation is related to the distilling process.
- 18 (4) Sell spirituous liquor distilled at the distillery in closed containers to visitors
19 of the distillery for consumption off the premises. Sales pursuant to this
20 subdivision are allowed only in an area where the establishment of an ABC
21 store has been approved pursuant to G.S. 18B-602(g). Spirituous liquor sold
22 at a distillery pursuant to this subdivision shall be sold at the price set by the
23 Commission for the corresponding North Carolina code item, including all
24 applicable excise taxes, bottles charges, and sales taxes. All excise taxes,
25 bottle charges, and sales taxes shall be remitted to the Department of
26 Revenue. In addition to any other labeling requirements set by law,
27 spirituous liquor sold pursuant to this subdivision shall have affixed to its
28 bottle a sticker that shall bear the words "North Carolina Distillery Tour
29 Commemorative Spirit." Consumers purchasing spirituous liquor under this
30 subdivision shall be limited to purchasing, per calendar year, no more than
31 one of any North Carolina code item listed for sale in the State. Retail sales
32 of spirituous liquor pursuant to this subdivision shall be subject to the hours
33 and days of sales provision in G.S. 18B-802. The authorization of this
34 subdivision applies to a distillery that manufactures less than 100,000 proof



1 gallons per year. The Commission shall adopt rules regulating the retail sale
2 of spirituous liquor under this subdivision."

3 **SECTION 2.** G.S. 18B-1001(19) reads as rewritten:

4 "(19) Spirituous liquor tasting permit. – The holder of any distillery permit
5 authorized by G.S. 18B-1105 may conduct a consumer tasting event on the
6 premises of the ~~distillery~~distillery, or at trade shows, conventions, shopping
7 malls, beverage festivals, street festivals, holiday festivals, agricultural
8 festivals, balloon races, local fundraisers, and other similar events approved
9 by the Commission, subject to the following conditions:

- 10 a. Any person pouring spirituous liquor at a tasting shall be an
11 employee of the distillery owned by the permit holder and at least 21
12 years of age.
13 b. The person pouring the spirituous liquor shall be responsible for
14 checking the identification of patrons being served at the tasting.
15 c. Each consumer is limited to tasting samples of 0.25 ounce of each
16 spirituous liquor which total no more than 1.5 ounces of spirituous
17 liquor in any calendar day.
18 d. The consumer shall not be charged for any spirituous liquor tasting
19 sample.
20 e. The spirituous liquor used in the consumer tasting event shall be
21 distilled at the distillery ~~where the event is being held~~owned by the
22 permit holder conducting the event.
23 f. A consumer tasting event shall not be allowed when the sale of
24 spirituous liquor is otherwise prohibited.
25 g. Tasting samples are not to be offered to, or allowed to be consumed
26 by, any person under the legal age for consuming spirituous liquor.

27 The distillery permit holder shall be solely liable for any violations of this
28 Chapter occurring in connection with the tasting. The Commission shall
29 adopt rules to assure that the tastings are limited to samplings and not a
30 subterfuge for the unlawful sale or distribution of spirituous liquor and that
31 the tastings are not used by industry members for unlawful inducements to
32 retail permit holders."

33 **SECTION 3.** G.S. 18B-301(f)(1) reads as rewritten:

34 "(f) Unlawful Possession or Use. – As illustration, but not limitation, of the general
35 prohibition stated in G.S. 18B-102(a), it shall be unlawful for:

- 36 (1) Any person to consume fortified wine, spirituous liquor, or mixed beverages
37 or to offer such beverages to another ~~person~~person at any of the following
38 places:
39 a. On the premises of an ABC ~~store, or store.~~
40 b. Upon any property used or occupied by a local ~~board, or board.~~
41 c. ~~On~~Except as authorized by G.S. 18B-1001(19), on any public road,
42 street, highway, or sidewalk."

43 **SECTION 4.** This act is effective when it becomes law.