1 A bill to be entitled 2 An act relating to distilled spirits; amending s. 3 565.03, F.S.; providing definitions; revising 4 provisions with respect to the licensure and operation 5 of distilleries; providing requirements for craft 6 distilleries; providing for the sale of distilled 7 spirits by licensed distilleries under certain 8 conditions; providing reporting requirements; 9 prohibiting the shipment of certain distilled spirits; providing for the transportation of distilled spirits 10 by licensed distilleries under certain conditions; 11 12 providing requirements relating to the payment of taxes; providing for applicability; providing 13 rulemaking authority; providing an effective date. 14 15 16 Be It Enacted by the Legislature of the State of Florida: 17 Section 1. Section 565.03, Florida Statutes, is amended to 18 read: 19 20 565.03 License fees; manufacturers, distributors, brokers, sales agents, and importers of alcoholic beverages; vendor 21 22 licenses and fees; craft distilleries.-23 As used in this section, the term: (1)24 (a) "Craft distillery" means a licensed distillery that 25 produces 75,000 or fewer gallons of distilled spirits on its 26 premises. "Distillery" means a Each liquor manufacturer, 27 (b)

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rectifier, blender, or processor of distilled spirits.

(2) (a) A distillery authorized to do business under the Beverage Law shall pay an annual state license tax for each plant or branch operating he or she operates in the state, as follows:

- 1. If engaged in the business of <u>manufacturing</u>, <u>rectifying</u>, <u>blending</u>, or <u>processing distilled spirits</u> <u>distilling</u> <u>spirituous liquors and nothing else</u>, a state license tax of \$4,000.
- 2. If engaged in the business of rectifying and blending spirituous liquors and nothing else, a state license tax of \$4,000.
- (b) Persons licensed <u>under this section who are hereunder</u> in the business of distilling spirituous liquors may also engage in the business of rectifying and blending spirituous liquors without the payment of an additional license tax.
- (c) A craft distillery licensed under this section may sell distilled spirits produced on its premises in this state to consumers for on-premises consumption and in factory-sealed containers for off-premises consumption. Such sales are authorized only on private property contiguous to the licensed distillery premises in this state and included on the sketch or diagram defining the licensed premises submitted with the distillery's license application. All sketch or diagram revisions by the distillery shall require the division's approval verifying that all alcoholic beverage retail sales locations operated by the licensed distillery are owned or leased by the distillery and on property contiguous to the distillery's production building in this state. A craft

distillery or licensed distillery may not sell any distilled spirits except in face-to-face sales transactions with consumers who are making a purchase for the consumer's personal use and not for resale and who are present at the distillery's licensed premises in this state.

- 1. This paragraph does not impact any land use for a craft distillery approved before July 1, 2013.
- 2. A craft distillery must report to the division within 5 days after it reaches the production limitations provided in paragraph (1)(a). Any retail sales to consumers at the craft distillery's licensed premises are prohibited on the day after it reaches the production limitation.
- 3. A licensed craft distillery may not ship, arrange to ship, or deliver any of its distilled spirits to consumers within the state. However, a craft distiller licensed under this section may ship, arrange to ship, or deliver such spirits to manufacturers of distilled spirits, wholesale distributors of distilled spirits, state or federal bonded warehouses, and exporters.
- (3)(2) Distributors authorized to do business under the Beverage Law, unless otherwise provided, shall pay a state license tax of \$4,000 for each and every establishment or branch they may operate or conduct in the state. However, in counties having a population of 15,000 or less according to the latest state or federal census, the state license tax for a restricted license shall be \$1,000, but the holder of such a license shall be permitted to sell only to vendors and distributors licensed in the same county, and such license shall contain such

restrictions. In such counties, licenses without such restrictions may be obtained as in other counties, but the tax for a license without such restrictions shall be the same as in other counties. Warehouses of a licensed distributor used solely for storage and located in the county in which the license is issued to such distributor shall not be construed to be separate establishments or branches.

- $\underline{(4)}$  Each broker or sales agent and each importer of alcoholic beverages, as defined in s. 561.14(4) and (5), respectively, shall pay an annual state license tax of \$500.
  - (5) The Beverage Law does not prohibit:

- (a) One hundred percent ownership of any vendor's license by a licensed distillery in the state that is engaged in the manufacturing of distilled spirits, if the vendor's premises meets the minimum qualifications for the vendor's license. The vendor's licensed premises must be owned or leased by the distillery and situated on property contiguous to the licensed premises where distilled spirits are produced.
- (b) A licensed distillery from transporting its distilled spirits in compliance with federal and state alcoholic beverage laws and administrative rules to any vendor's licensed premises on property contiguous to the distillery and owned or leased by the distillery. Notwithstanding s. 561.14, any licensed distillery licensed as a vendor and operating at a premises under paragraph (2) (c) or paragraph (5) (a) may purchase or acquire alcoholic beverage products produced at a licensed distillery in this state directly from the distillery. Each distillery transporting its distilled spirits to its licensed

retail premises	or making sales under paragraph (2)(c) is	
responsible for	submitting any beverages excise taxes under th	ıе
Beverage Law in	its monthly report to the division with any ta	X
payments due to	the state.	

(6) The division may adopt rules to administer this section.

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Section 2. This act shall take effect July 1, 2013.

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