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LEGISLATIVE ACTION

Senate

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House

The Committee on Commerce and Tourism (Brandes) recommended the following:

1 **Senate Substitute for Amendment (605768) (with directory**
2 **and title amendments)**

3
4 Delete lines 70 - 123
5 and insert:

6 (b) A licensed distillery or craft distillery may ~~Persons~~
7 ~~licensed under this section who are in the business of~~
8 ~~distilling spirituous liquors may also~~ engage in the business of
9 rectifying and blending spirituous liquors without the payment
10 of an additional license tax.



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11 (c) A craft distillery licensed under this section which is
12 not licensed as a vendor under s. 561.221 may sell to consumers
13 under its craft distillery license, at its souvenir gift shop,
14 up to 75,000 gallons per calendar year of branded products
15 ~~distilled on its premises in this state~~ in factory-sealed
16 containers that are filled at the distillery for off-premises
17 consumption by consumers. Such sales are authorized only on
18 private property owned or leased by the craft distillery which
19 is contiguous to the craft distillery's licensed distillery
20 premises approved by the division in this state and ~~included on~~
21 ~~the sketch or diagram defining the licensed premises submitted~~
22 ~~with the distillery's license application. All sketch or diagram~~
23 ~~revisions by the distillery shall require the division's~~
24 ~~approval verifying that the souvenir gift shop location operated~~
25 ~~by the licensed distillery is owned or leased by the distillery~~
26 ~~and on property contiguous to the distillery's production~~
27 ~~building in this state.~~

28 1. A craft distillery may not sell under its craft
29 distillery license any factory-sealed individual containers of
30 spirits to consumers in this state except in face-to-face sales
31 transactions with such consumers at the craft distillery's
32 licensed premises. Such containers must be in compliance with
33 the container limits in s. 565.10 ~~who are making a purchase of~~
34 ~~no more than six individual containers of each branded product.~~

35 2. ~~Each container sold in face to face transactions with~~
36 ~~consumers must comply with the container limits in s. 565.10,~~
37 ~~per calendar year for the consumer's personal use and not for~~
38 ~~resale and who are present at the distillery's licensed premises~~
39 ~~in this state.~~



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40 ~~2.3.~~ A craft distillery must report to the division within
41 5 days after it reaches the production limitations provided in
42 paragraph (1)(b). Any retail sales to consumers under its craft
43 distillery license at the craft distillery's licensed premises
44 are prohibited beginning the day after it reaches the production
45 limitation.

46 ~~3.4.~~ A craft distillery that has not been issued a vendor's
47 license under s. 561.221 may not ship or arrange to ship any of
48 its distilled spirits to consumers in this state and may sell
49 and deliver only to consumers within the state in a face-to-face
50 transaction at the distillery property. However, a craft
51 distillery ~~distiller~~ licensed under this section may ship,
52 arrange to ship, or deliver such spirits to manufacturers of
53 distilled spirits, wholesale distributors of distilled spirits,
54 state or federal bonded warehouses, ~~and~~ exporters, or consumers
55 located outside of this state; however, all such shipments must
56 comply with the laws where such products are scheduled to be
57 delivered for personal or commercial use.

58 ~~4.5.~~ Except as provided in subparagraph 6., it is unlawful
59 to transfer a distillery license for a distillery that produces
60 250,000 ~~75,000~~ or fewer gallons per calendar year of distilled
61 spirits on its premises or any ownership interest in such
62 license to an individual or entity that has a direct or indirect
63 ownership interest in any distillery licensed in this state;
64 another state, territory, or country; or by the United States
65 government to manufacture, blend, or rectify distilled spirits
66 for beverage purposes.

67 ~~5.6.~~ A craft distillery shall not have its ownership
68 affiliated with another distillery, unless such distillery



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69 produces 250,000 ~~75,000~~ or fewer gallons per calendar year of
70 distilled spirits on each of its premises in this state or in
71 another state, territory, or country.

72 6. A craft distillery may transfer up to 75,000 gallons per
73 calendar year of distilled spirits that it manufactures from its
74 federal bonded space, nonbonded space at its licensed premises,
75 or storage areas to its souvenir gift shop.

76 (5) A craft distillery may transfer distilled spirits to
77 any of its retail areas pursuant to paragraph (2)(c) or s.
78 561.221 and ~~making sales under paragraph (2)(e)~~ is responsible
79 for submitting any excise taxes due to the state on distilled
80 spirits ~~on beverages~~ under the Beverage Law with ~~in~~ its monthly
81 report to the division ~~with any tax payments due to the state.~~

82 Section 5. Subsection (4) is added to section 561.221,
83 Florida Statutes, to read:

84 561.221 Licensing of manufacturers and distributors as
85 vendors and of vendors as manufacturers; conditions and
86 limitations.-

87 (4) (a) Notwithstanding s. 561.22, s. 561.42, or any other
88 provision of the Beverage Law, the division may issue vendor's
89 licenses for the sale of alcoholic beverages:

- 90 1. On a distillery's licensed premises;
91 2. On a seaport facility's premises; or
92 3. At an airport terminal, as defined in s. 561.01(13),
93

94 to a distillery licensed under s. 565.03, even if such
95 distillery is also licensed as a distributor.

96 (b) If the vendor's license is for the sale of alcoholic
97 beverages on a distillery's licensed premises, the licensed



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98 vendor premises must be included on the sketch or diagram
99 defining the licensed premises submitted with the distillery's
100 license application pursuant to s. 565.03(c). All sketch or
101 diagram revisions by the distillery must be approved by the
102 division, verifying that the vendor premises operated by the
103 licensed distillery is owned or leased by the distillery and is
104 located on the licensed distillery premises.

105 (c) The division may issue up to eight vendor's licenses to
106 a distillery pursuant to this subsection.

107 (d) The division shall, upon request, issue permits to a
108 distillery to conduct tasting and sales of distilled spirits
109 produced by the distillery at fairs, trade shows, expositions,
110 and festivals in this state. The distillery shall pay all entry
111 fees and shall have a representative of the craft distillery
112 present during the event. The permit is limited to the length of
113 the event.

114
115 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

116 And the directory clause is amended as follows:

117 Delete lines 52 - 53

118 and insert:

119 Section 4. Paragraphs (a) and (b) of subsection (1),
120 paragraphs (b) and (c) of subsection (2), and subsection (5) of
121 section 565.03, Florida

122
123 ===== T I T L E A M E N D M E N T =====

124 And the title is amended as follows:

125 Delete lines 11 - 23

126 and insert:



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127 "branded product" and "craft distillery"; revising the
128 requirements for the sale of branded products by a
129 licensed craft distillery to consumers; deleting a
130 provision that prohibits a craft distillery from
131 selling more than six individual containers of a
132 branded product to a consumer; revising requirements
133 relating to the shipping of distilled spirits to
134 consumers by a craft distillery; providing that it is
135 unlawful to transfer a distillery license, or
136 ownership in a distillery license, for certain
137 distilleries to certain individuals or entities;
138 prohibiting a craft distillery from having its
139 ownership affiliated with certain other distilleries;
140 authorizing a craft distillery to transfer specified
141 distilled spirits from certain locations to its
142 souvenir gift shop; requiring a craft distillery
143 making certain transfers of distilled spirits to
144 submit certain excise taxes with its monthly report to
145 the Division of Alcoholic Beverages and Tobacco of the
146 Department of Business and Professional Regulation;
147 amending s. 561.221, F.S.; authorizing the division to
148 issue vendor's licenses to certain distilleries for
149 the sale of alcoholic beverages on the licensed
150 premises, on a seaport facility's licensed premises,
151 or at an airport terminal; requiring that the licensed
152 vendor premises be included on certain sketches and
153 diagrams under certain circumstances; requiring that
154 all revisions to a sketch or diagram be approved by
155 the division; capping the number of vendor's licenses



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156 | the division is authorized to issue to a distillery;
157 | requiring the division to issue permits to
158 | distilleries for conducting tastings and sales at
159 | certain events; requiring distilleries to pay entry
160 | fees and to have a representative present at such
161 | events; providing an