LEGISLATIVE ACTION

Senate	•	House
Comm: RCS		
04/03/2013		
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The Committee on Regulated Industries (Thrasher) recommended the following:

## Senate Amendment (with title amendment)

Delete everything after the enacting clause

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and insert:
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Section 1. Section 565.03, Florida Statutes, is amended to read:

565.03 License fees; manufacturers, distributors, brokers, sales agents, and importers <u>of alcoholic beverages; vendor</u> <u>licenses and fees; craft distilleries.-</u>

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(1) As used in this section, the term:

(a) "Craft distillery" means a licensed distillery that produces 75,000 or fewer gallons per calendar year of distilled

13	spirits on its premises and that has notified the division in
14	writing of its status as a craft distillery.
15	(b) "Distillery" means a manufacturer of distilled spirits.
16	<u>(2) <del>(</del>1) (a)</u> <u>A distillery</u> <del>Each liquor manufacturer</del> authorized
17	<del>to do business</del> under the Beverage Law <u>to distill, rectify, or</u>
18	blend spirituous liquors shall pay an annual state license tax
19	of \$4,000 for each plant or branch <u>operating</u> <del>he or she operates</del>
20	in the state <del>, as follows:</del>
21	1. If engaged in the business of distilling spirituous
22	liquors and nothing else, a state license tax of \$4,000.
23	2. If engaged in the business of rectifying and blending
24	spirituous liquors and nothing else, a state license tax of
25	<del>\$4,000.</del>
26	(b) Persons licensed hereunder in the business of
27	distilling spirituous liquors may also engage in the business of
28	rectifying and blending spirituous liquors without the payment
29	of an additional license tax.
30	(3) A craft distillery licensed under this section may sell
31	spirits distilled on its premises in this state to consumers in
32	factory-sealed containers that are filled at the distillery for
33	consumption at its souvenir gift shop. Such sales are authorized
34	only on private property contiguous to the licensed distillery
35	premises in this state and included on the sketch or diagram
36	defining the licensed premises which has been submitted with the
37	distillery's license application. All sketch or diagram
38	revisions by the distillery require the division's approval.
39	Before approval, the division shall verify that the souvenir
40	gift shop operated by the licensed distillery is owned or leased
41	by the distillery and is on property contiguous to the

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42 distillery's production building in this state. 43 (a) A craft distillery or licensed distillery may not sell any factory-sealed individual containers of spirits except in a 44 45 face-to-face sales transaction on the distillery's premises in 46 this state with a consumer who purchases no more than two 47 individual containers that comply with container limits in s. 565.10, for the consumer's personal use and not for resale. 48 49 (b) A craft distillery may not ship, arrange to ship, or 50 deliver any of its distilled spirits to consumers within this 51 state except in a face-to-face transaction on the distillery's 52 premises. However, a craft distillery may ship, arrange to ship, 53 or deliver such spirits to manufacturers of distilled spirits, wholesale distributors of distilled spirits, state or federal 54 55 bonded warehouses, and exporters. (c) Except as provided in paragraph (d), it is unlawful to 56 57 transfer a distillery license for a distillery that produces 58 75,000 gallons or fewer per calendar year of distilled spirits 59 on its premises, or to transfer an ownership interest in such 60 license, to an individual or entity that has any direct or indirect ownership interest in a distillery licensed by this 61 62 state, another state, a territory, the United States government, 63 or another country to manufacture, blend, or rectify distilled 64 spirits for beverage purposes. (d) A craft distillery may not have its ownership 65 66 affiliated with another distillery unless such distillery 67 produces 75,000 gallons or fewer of distilled spirits on its 68 premises per calendar year. 69 (e) A craft distillery must report to the division within 5 70 days after it reaches the production limitations provided in

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71 paragraph (1) (a). Any sale to a consumer at the craft 72 distillery's licensed premises is prohibited beginning on the 73 day after the craft distillery reaches the production limitation 74 for the year. A craft distillery that sells spirits under this 75 subsection shall submit any beverages excise taxes under the 76 Beverage Law in its monthly report to the division with any tax 77 payments due to the state.

78 (4) (2) Distributors authorized to do business under the 79 Beverage Law, unless otherwise provided, shall pay a state 80 license tax of \$4,000 for each and every establishment or branch 81 they may operate or conduct in the state. However, in counties 82 having a population of 15,000 or less according to the latest state or federal census, the state license tax for a restricted 83 84 license shall be \$1,000, but the holder of such a license shall be permitted to sell only to vendors and distributors licensed 85 in the same county, and such license shall contain such 86 restrictions. In such counties, licenses without such 87 restrictions may be obtained as in other counties, but the tax 88 for a license without such restrictions shall be the same as in 89 other counties. Warehouses of a licensed distributor used solely 90 91 for storage and located in the county in which the license is 92 issued to such distributor shall not be construed to be separate 93 establishments or branches.

94 <u>(5) (3)</u> Each broker or sales agent and each importer <u>of</u> 95 <u>alcoholic beverages</u>, as defined in s. 561.14(4) and (5), 96 respectively, shall pay an annual state license tax of \$500.

97 (6) The division may adopt rules to administer this 98 section.

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Section 2. Subsection (1) of section 561.14, Florida

580-02934-13



100	Statutes, is amended to read:
101	561.14 License and registration classificationLicenses
102	and registrations referred to in the Beverage Law shall be
103	classified as follows:
104	(1) Manufacturers licensed to manufacture alcoholic
105	beverages and distribute the same at wholesale to licensed
106	distributors and to no one else within the state, unless
107	authorized by statute. Persons engaged in the business of
108	distilling, rectifying, or blending spirituous liquors licensed
109	under s. <u>565.03(2)</u>
110	distribute such beverages at wholesale only to other
111	manufacturers and to licensed distributors and to no one else
112	within this state.
113	Section 3. The Legislature declares that it would not have
114	individually enacted any of the provisions of this act and
115	expressly finds the provisions not to be severable. If a court
116	of competent jurisdiction determines any provision of this act
117	to be in conflict with any law of this state, a federal law or
118	regulation, the State Constitution, or the United States
119	Constitution, or to be otherwise invalid for any reason, it is
120	the intent of the Legislature that all of the provisions of this
121	act be void, that such invalidity void only the changes made by
122	this act, and that no other law be affected.
123	Section 4. This act shall take effect July 1, 2013.
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126	And the title is amended as follows:
127	Delete everything before the enacting clause
128	and insert:

COMMITTEE AMENDMENT

Florida Senate - 2013 Bill No. SB 642



129 A bill to be entitled 130 An act relating to distilled spirits; amending s. 131 565.03, F.S.; providing definitions; revising 132 provisions regarding a state license tax involved with 133 the operation of distilleries; providing requirements 134 for craft distilleries under certain conditions; 135 prohibiting the shipment of certain distilled spirits; 136 restricting license transferability and ownership 137 affiliation; providing reporting requirements; 138 providing requirements relating to the payment of 139 taxes; providing for the adoption of rules; amending 140 s. 561.14, F.S.; conforming a cross-reference; 141 declaring that the provisions of this act are not 142 severable; providing an effective date.