

By the Committee on Regulated Industries; and Senator Hays

580-03456-13

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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 regarding a state license tax involved with  
5           the operation of distilleries; providing requirements  
6           for craft distilleries under certain conditions;  
7           prohibiting the shipment of certain distilled spirits;  
8           restricting license transferability and ownership  
9           affiliation; providing reporting requirements;  
10          providing requirements relating to the payment of  
11          taxes; providing for the adoption of rules; amending  
12          s. 561.14, F.S.; conforming a cross-reference;  
13          declaring that the provisions of this act are not  
14          severable; providing an effective date.

15  
16 Be It Enacted by the Legislature of the State of Florida:

17  
18           Section 1. Section 565.03, Florida Statutes, is amended to  
19           read:

20           565.03 License fees; manufacturers, distributors, brokers,  
21           sales agents, and importers of alcoholic beverages; vendor  
22           licenses and fees; craft distilleries.-

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

24           (a) "Craft distillery" means a licensed distillery that  
25           produces 75,000 or fewer gallons per calendar year of distilled  
26           spirits on its premises and that has notified the division in  
27           writing of its status as a craft distillery.

28           (b) "Distillery" means a manufacturer of distilled spirits.

29           (2)-(1)-(a) A distillery ~~Each liquor manufacturer~~ authorized

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30 ~~to do business~~ under the Beverage Law to distill, rectify, or  
31 blend spirituous liquors shall pay an annual state license tax  
32 of \$4,000 for each plant or branch operating ~~he or she operates~~  
33 in the state, ~~as follows:~~

34 1. ~~If engaged in the business of distilling spirituous~~  
35 ~~liquors and nothing else, a state license tax of \$4,000.~~

36 2. ~~If engaged in the business of rectifying and blending~~  
37 ~~spirituous liquors and nothing else, a state license tax of~~  
38 ~~\$4,000.~~

39 ~~(b) Persons licensed hereunder in the business of~~  
40 ~~distilling spirituous liquors may also engage in the business of~~  
41 ~~rectifying and blending spirituous liquors without the payment~~  
42 ~~of an additional license tax.~~

43 (3) A craft distillery licensed under this section may sell  
44 to consumers, at its souvenir gift shop, spirits distilled on  
45 its premises in this state in factory-sealed containers that are  
46 filled at the distillery for off-premises consumption. Such  
47 sales are authorized only on private property contiguous to the  
48 licensed distillery premises in this state and included on the  
49 sketch or diagram defining the licensed premises which has been  
50 submitted with the distillery's license application. All sketch  
51 or diagram revisions by the distillery require the division's  
52 approval. Before approval, the division shall verify that the  
53 souvenir gift shop operated by the licensed distillery is owned  
54 or leased by the distillery and is on property contiguous to the  
55 distillery's production building in this state.

56 (a) A craft distillery or licensed distillery may not sell  
57 any factory-sealed individual containers of spirits except in a  
58 face-to-face sales transaction on the distillery's premises in

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59 this state with a consumer who purchases no more than two  
60 individual containers that comply with container limits in s.  
61 565.10, for the consumer's personal use and not for resale.

62 (b) A craft distillery may not ship, arrange to ship, or  
63 deliver any of its distilled spirits to consumers within this  
64 state except in a face-to-face transaction on the distillery's  
65 premises. However, a craft distillery may ship, arrange to ship,  
66 or deliver such spirits to manufacturers of distilled spirits,  
67 wholesale distributors of distilled spirits, state or federal  
68 bonded warehouses, and exporters.

69 (c) Except as provided in paragraph (d), it is unlawful to  
70 transfer a distillery license for a distillery that produces  
71 75,000 gallons or fewer per calendar year of distilled spirits  
72 on its premises, or to transfer an ownership interest in such  
73 license, to an individual or entity that has any direct or  
74 indirect ownership interest in a distillery licensed by this  
75 state, another state, a territory, the United States government,  
76 or another country to manufacture, blend, or rectify distilled  
77 spirits for beverage purposes.

78 (d) A craft distillery may not have its ownership  
79 affiliated with another distillery unless such distillery  
80 produces 75,000 gallons or fewer of distilled spirits on its  
81 premises per calendar year.

82 (e) A craft distillery must report to the division within 5  
83 days after it reaches the production limitations provided in  
84 paragraph (1) (a). Any sale to a consumer at the craft  
85 distillery's licensed premises is prohibited beginning on the  
86 day after the craft distillery reaches the production limitation  
87 for the year. A craft distillery that sells spirits under this

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88 subsection shall submit any beverages excise taxes under the  
89 Beverage Law in its monthly report to the division with any tax  
90 payments due to the state.

91 (4)~~(2)~~ Distributors authorized to do business under the  
92 Beverage Law, unless otherwise provided, shall pay a state  
93 license tax of \$4,000 for each and every establishment or branch  
94 they may operate or conduct in the state. However, in counties  
95 having a population of 15,000 or less according to the latest  
96 state or federal census, the state license tax for a restricted  
97 license shall be \$1,000, but the holder of such a license shall  
98 be permitted to sell only to vendors and distributors licensed  
99 in the same county, and such license shall contain such  
100 restrictions. In such counties, licenses without such  
101 restrictions may be obtained as in other counties, but the tax  
102 for a license without such restrictions shall be the same as in  
103 other counties. Warehouses of a licensed distributor used solely  
104 for storage and located in the county in which the license is  
105 issued to such distributor shall not be construed to be separate  
106 establishments or branches.

107 (5)~~(3)~~ Each broker or sales agent and each importer of of  
108 alcoholic beverages, as defined in s. 561.14(4) and (5),  
109 respectively, shall pay an annual state license tax of \$500.

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

112 Section 2. Subsection (1) of section 561.14, Florida  
113 Statutes, is amended to read:

114 561.14 License and registration classification.—Licenses  
115 and registrations referred to in the Beverage Law shall be  
116 classified as follows:

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117 (1) Manufacturers licensed to manufacture alcoholic  
118 beverages and distribute the same at wholesale to licensed  
119 distributors and to no one else within the state, unless  
120 authorized by statute. Persons engaged in the business of  
121 distilling, rectifying, or blending spirituous liquors licensed  
122 under s. 565.03(2) ~~565.03(1)(a)1. and (b)~~ shall sell and  
123 distribute such beverages at wholesale only to other  
124 manufacturers and to licensed distributors and to no one else  
125 within this state.

126 Section 3. The Legislature declares that it would not have  
127 individually enacted any of the provisions of this act and  
128 expressly finds the provisions not to be severable. If a court  
129 of competent jurisdiction determines any provision of this act  
130 to be in conflict with any law of this state, a federal law or  
131 regulation, the State Constitution, or the United States  
132 Constitution, or to be otherwise invalid for any reason, it is  
133 the intent of the Legislature that all of the provisions of this  
134 act be void, that such invalidity void only the changes made by  
135 this act, and that no other law be affected.

136 Section 4. This act shall take effect July 1, 2013.