CHAMBER ACTION

Senate House

•

Representative Stevenson offered the following:

1 2

3

4

5

6

7

8

9

10

11

12

13

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Paragraph (b) of subsection (1) and paragraphs (a) and (c) of subsection (2) of section 565.03, Florida Statutes, are amended to read:

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

- (1) As used in this section, the term:
- (b) "Craft distillery" means a licensed distillery that produces $\underline{250,000}$ $\underline{75,000}$ or fewer gallons per calendar year of

734385

Approved For Filing: 4/21/2017 3:57:40 PM Page 1 of 5

distilled spirits on its premises and <u>is designated as a craft</u> distillery by has notified the division <u>upon notification</u> in writing of its decision to qualify as a craft distillery.

- (2) (a) A distillery or a craft distillery authorized to do business under the Beverage Law shall pay an annual state license tax for each plant or branch operating in the state, as follows:
- 1. A distillery $\pm f$ engaged in the business of manufacturing distilled spirits: $\frac{1}{2}$, a state license tax of \$4,000.
- 2. A craft distillery engaged in the business of manufacturing distilled spirits: \$1,000.
- 3.2. A person If engaged in the business of rectifying and blending spirituous liquors and nothing else: , a state license tax of \$4,000.
- (c) A craft distillery licensed under this section may sell up to 75,000 gallons per calendar year to consumers, at its souvenir gift shop, branded products distilled on its premises in this state in factory-sealed containers that are filled at the distillery 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 the souvenir gift shop location operated by the licensed distillery is owned or leased by the distillery and on property contiguous to the distillery's production building in this state.

- 1. A craft distillery may not sell any factory-sealed individual containers of spirits except in face-to-face sales transactions with consumers who are making a purchase of no more than six individual containers of each branded product:
 - a. Two individual containers of each branded product;
- b. Three individual containers of a single branded product and up to one individual container of a second branded product;
 - c. Four individual containers of a single branded product.
- 2. Each container sold in face-to-face transactions with consumers must comply with the container limits in s. 565.10, per calendar year for the consumer's personal use and not for resale and who are present at the distillery's licensed premises in this state.
- 3. A craft distillery must report to the division within 5 days after it reaches the production limitations provided in paragraph (1)(b). Any retail sales to consumers at the craft distillery's licensed premises are prohibited beginning the day after it reaches the production limitation.
- 4. A craft distillery may not ship or arrange to ship any of its distilled spirits to consumers and may sell and deliver

only to consumers within the state in a face-to-face transaction at the distillery property. 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.

- 5. Except as provided in subparagraph 6., it is unlawful to transfer a distillery license for a distillery that produces 250,000 75,000 or fewer gallons per calendar year of distilled spirits on its premises or any ownership interest in such license to an individual or entity that has a direct or indirect ownership interest in any distillery licensed in this state; another state, territory, or country; or by the United States government to manufacture, blend, or rectify distilled spirits for beverage purposes.
- 6. A craft distillery shall not have its ownership affiliated with another distillery, unless such distillery produces 250,000 75,000 or fewer gallons per calendar year of distilled spirits on each of its premises in this state or in another state, territory, or country.
- 7. A craft distillery may transfer up to 75,000 gallons per calendar year of distilled spirits it manufactures from its federal bonded space, a nonbonded space at its licensed premises, or its storage areas to its souvenir gift shop.

Bill No. CS/HB 141 (2017)

Amendment No.

TITLE AMENDMENT

Remove everything before the enacting clause and insert:

A bill to be entitled

An act relating to craft distilleries; amending s. 565.03, F.S.; revising the definition of the term "craft distillery"; revising license taxes for distilleries or craft distilleries authorized to do business under the Beverage Law; providing limitations on retail sales by craft distilleries to consumers; authorizing craft distilleries to transfer up to a specified amount of distilled spirits under certain circumstances; providing an effective date.