

1                   A bill to be entitled  
2           An act relating to craft distilleries; amending s.  
3           561.221, F.S.; authorizing a craft distillery to hold  
4           multiple vendor's licenses for the sale of alcoholic  
5           beverages; authorizing certain wineries and craft  
6           distilleries to transfer wine or distilled spirits to  
7           its vendor's licensed premises; requiring the Division  
8           of Alcoholic Beverages and Tobacco of the Department  
9           of Business and Professional Regulation to issue  
10          permits to a craft distillery to conduct tastings and  
11          sales at specified events; amending s. 561.24, F.S.;  
12          authorizing a craft distillery to be licensed as a  
13          distributor under certain circumstances; amending s.  
14          565.03, F.S.; revising the definition of "craft  
15          distillery"; revising the requirements for the sale of  
16          branded products by a licensed craft distillery to  
17          consumers; deleting a provision that prohibits a craft  
18          distillery from selling more than six individual  
19          containers of a branded product to a consumer;  
20          revising requirements relating to the shipping of  
21          distilled spirits to consumers by a craft distillery;  
22          providing that it is unlawful to transfer a certain  
23          distillery license, or ownership in a distillery  
24          license, to certain individuals or entities;  
25          prohibiting a craft distillery from having its

26 ownership affiliated with certain other distilleries;  
27 authorizing a craft distillery to transfer specified  
28 distilled spirits to its souvenir gift shop; requiring  
29 a craft distillery to submit certain excise taxes;  
30 amending s. 565.17, F.S.; authorizing a craft  
31 distillery to conduct spirituous beverage tastings  
32 under certain circumstances; providing an effective  
33 date.

34  
35 Be It Enacted by the Legislature of the State of Florida:

36  
37 Section 1. Subsection (1) of section 561.221, Florida  
38 Statutes, is amended to read:

39 561.221 Licensing of manufacturers and distributors as  
40 vendors and of vendors as manufacturers; conditions and  
41 limitations.—

42 (1)(a) Nothing contained in s. 561.22, s. 561.42, or any  
43 other provision of the Beverage Law prohibits the ownership,  
44 management, operation, or control of not more than three  
45 vendor's licenses for the sale of alcoholic beverages by a  
46 manufacturer of wine who is licensed and engaged in the  
47 manufacture of wine in this state or by a craft distillery, as  
48 defined in s. 565.03, even if such manufacturer or distillery is  
49 also licensed as a distributor; provided that no such vendor's  
50 license shall be owned, managed, operated, or controlled by any

51 licensed manufacturer of wine or a craft distillery unless the  
52 licensed premises of the vendor are situated on property  
53 contiguous to the manufacturing premises of the licensed  
54 manufacturer of wine or the craft distillery. It is not a  
55 violation of the Beverage Law for a craft distillery that is  
56 also licensed as a vendor under this section to transfer  
57 distilled spirits directly from the craft distillery or from its  
58 storage areas approved by the division to the areas designated  
59 on the sketch or diagram submitted to the division.

60 (b) The Division of Alcoholic Beverages and Tobacco shall  
61 issue permits to a certified Florida Farm Winery or a craft  
62 distillery to conduct tastings ~~tasting~~ and sales of wine  
63 produced by certified Florida Farm Wineries or of distilled  
64 spirits produced by craft distilleries at Florida fairs, trade  
65 shows, expositions, and festivals. The certified Florida Farm  
66 Winery or craft distillery shall pay all entry fees and shall  
67 have a winery or distillery representative present during the  
68 event. The permit is limited to the length of the event.

69 Section 2. Subsection (9) is added to section 561.24,  
70 Florida Statutes, to read:

71 561.24 Licensing manufacturers as distributors or  
72 registered exporters prohibited; procedure for issuance and  
73 renewal of distributors' licenses and exporters' registrations.-

74 (9) This section does not apply to a craft distillery, as  
75 defined in s. 565.03, at which 60 percent of the distilled

76 | spirits produced are made with agricultural products from this  
 77 | state and is open to the public for tours, tastings, and sales  
 78 | at least 30 hours each week.

79 | Section 3. Paragraph (b) of subsection (1) and subsections  
 80 | (2) and (5) of section 565.03, Florida Statutes, are amended to  
 81 | read:

82 | 565.03 License fees; manufacturers, distributors, brokers,  
 83 | sales agents, and importers of alcoholic beverages; vendor  
 84 | licenses and fees; distilleries and craft distilleries.—

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

86 | (b) "Craft distillery" means a licensed distillery that  
 87 | produces 250,000 ~~75,000~~ or fewer gallons per calendar year of  
 88 | distilled spirits on its premises and has notified the division  
 89 | in writing of its decision to qualify as a craft distillery.

90 | (2) (a) A distillery or a craft distillery authorized to do  
 91 | business under the Beverage Law shall pay an annual state  
 92 | license tax for each plant or branch operating in the state, as  
 93 | follows:

94 | 1. A distillery engaged in the business of manufacturing  
 95 | distilled spirits: \$4,000.

96 | 2. A craft distillery engaged in the business of  
 97 | manufacturing distilled spirits: \$1,000.

98 | 3. A person engaged in the business of rectifying and  
 99 | blending spirituous liquors and nothing else: \$4,000.

100 | (b) A licensed distillery or craft distillery may ~~Persons~~

101 ~~licensed under this section who are in the business of~~  
102 ~~distilling spirituous liquors may also~~ engage in the business of  
103 rectifying and blending spirituous liquors without the payment  
104 of an additional license tax.

105 (c) A craft distillery licensed under this section that is  
106 not licensed as a vendor under s. 561.221 may sell to consumers  
107 under its craft distillery license, at its souvenir gift shop,  
108 up to 75,000 gallons per calendar year of branded products  
109 distilled on its premises in this state in factory-sealed  
110 containers that are filled at the distillery for off-premises  
111 consumption by consumers. Such sales are authorized only on  
112 ~~private~~ property owned or leased by the craft distillery that is  
113 contiguous to the craft distillery's licensed ~~distillery~~  
114 premises approved by the division in this state and included on  
115 the sketch or diagram defining the licensed premises submitted  
116 with the distillery's license application. All sketch or diagram  
117 revisions by the distillery shall require the division's  
118 approval verifying that the souvenir gift shop location operated  
119 by the licensed distillery is owned or leased by the distillery  
120 and on property contiguous to the distillery's production  
121 building in this state.

122 1. A craft distillery may not sell under its craft  
123 distillery license, other than under permits issued to the craft  
124 distillery for fairs, trade shows, expositions, and festivals as  
125 authorized under s. 561.221, any factory-sealed individual

126 containers of spirits to consumers in this state except in face-  
127 to-face sales transactions with such consumers at the craft  
128 distillery's licensed premises. Such containers must be in  
129 compliance with the container limits in s. 565.10 ~~who are making~~  
130 ~~a purchase of no more than six individual containers of each~~  
131 ~~branded product.~~

132 ~~2. Each container sold in face-to-face transactions with~~  
133 ~~consumers must comply with the container limits in s. 565.10,~~  
134 ~~per calendar year for the consumer's personal use and not for~~  
135 ~~resale and who are present at the distillery's licensed premises~~  
136 ~~in this state.~~

137 ~~2.3.~~ A craft distillery licensed under this section must  
138 report to the division within 5 days after it reaches the  
139 production limitations provided in paragraph (1)(b). Any retail  
140 sales under its craft distillery license to consumers ~~at the~~  
141 ~~craft distillery's licensed premises~~ are prohibited beginning  
142 the day after it reaches the production limitation.

143 ~~3.4.~~ A craft distillery that has not been issued a  
144 vendor's license under s. 561.221 may not ship or arrange to  
145 ship any of its distilled spirits to consumers in this state and  
146 may sell and deliver only to consumers within the state in a  
147 face-to-face transaction at the distillery property. However, a  
148 craft distillery ~~distiller~~ licensed under this section may ship,  
149 arrange to ship, or deliver such spirits to manufacturers of  
150 distilled spirits, wholesale distributors of distilled spirits,

151 state or federal bonded warehouses, and exporters, or consumers  
 152 located outside of the state; however, all such shipments must  
 153 comply with the laws where such products are scheduled to be  
 154 delivered for personal or commercial use.

155 ~~4.5.~~ Except as provided in subparagraph ~~5. 6.~~, it is  
 156 unlawful to transfer a distillery license for a distillery that  
 157 produces 250,000 ~~75,000~~ or fewer gallons per calendar year of  
 158 distilled spirits on its premises or any ownership interest in  
 159 such license to an individual or entity that has a direct or  
 160 indirect ownership interest in any distillery licensed in this  
 161 state; another state, territory, or country; or by the United  
 162 States government to manufacture, blend, or rectify distilled  
 163 spirits for beverage purposes.

164 ~~5.6.~~ A craft distillery shall not have its ownership  
 165 affiliated with another distillery, unless such distillery  
 166 produces 250,000 ~~75,000~~ or fewer gallons per calendar year of  
 167 distilled spirits on each of its premises in this state or in  
 168 another state, territory, or country.

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

173 (5) A craft distillery transferring distilled spirits to  
 174 its retail areas pursuant to s. 561.221(1) (a) ~~making sales under~~  
 175 ~~paragraph (2) (c)~~ is responsible for submitting any excise taxes

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176 | due to the state on distilled spirits ~~on beverages~~ under the  
177 | Beverage Law with ~~in~~ its monthly report to the division ~~with any~~  
178 | ~~tax payments due to the state.~~

179 |       Section 4. Section 565.17, Florida Statutes, is amended to  
180 | read:

181 |       565.17 Beverage tastings by distributors, craft  
182 | distilleries, and vendors.—A licensed distributor of spirituous  
183 | beverages, a craft distillery, as defined in s. 565.03, or any  
184 | vendor, is authorized to conduct spirituous beverage tastings  
185 | upon any licensed premises authorized to sell spirituous  
186 | beverages by package or for consumption on premises without  
187 | being in violation of s. 561.42, provided that the conduct of  
188 | the spirituous beverage tasting shall be limited to and directed  
189 | toward the general public of the age of legal consumption.

190 |       Section 5. This act shall take effect July 1, 2019.