

HB 1137

2026

A bill to be entitled
An act relating to excise tax deductions on alcoholic beverages; creating s. 561.1215, F.S.; requiring certain distributors of alcoholic beverages to receive compensation in the form of an excise tax deduction; providing the amount of such deduction; providing a specified calculation for malt beverages; providing applicability; defining the term "extraordinary loss"; requiring distributors of alcoholic beverages to notify the Division of Alcoholic Beverages and Tobacco of certain extraordinary losses; requiring specified proof and documentation to be submitted to the division; authorizing the division to adopt rules; providing an effective date.

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

Section 1. Section 561.1215, Florida Statutes, is created to read:

561.1215 Excise tax deductions on malt beverages, wine, and liquor.—

(1) (a) A distributor of malt beverages, wine, and liquor shall be compensated in the form of a deduction from the amount of the excise tax due under s. 563.05, s. 564.06, or s. 565.12 for:

26 1. Alcoholic beverages that are not able to be sold due to
27 warehouse breakage, spoilage, evaporation, expiration, or which
28 are unfit for human consumption; or

29 2. The actual breakage, spoilage, or destruction of
30 alcoholic beverages, as witnessed and documented by a division
31 employee or other authorized person.

32 (b) The amount of the deduction to which a distributor is
33 entitled under paragraph (a) shall be equal to:

34 1. For the sale of wine: .49 percent of the gross tax
35 collected.

36 2. For the sale of liquor: .15 percent of the gross tax
37 collected.

38 3. For the sale of malt beverages: .20 percent of the
39 gross tax collected.

40 (c) For malt beverages, the method of breakage, percentage
41 or actual, must be calculated annually and shall remain
42 effective for 1 year, unless the license is transferred or 100
43 percent of the stock is sold to a new owner.

44 (d) This subsection applies to:

45 1. A distributor who engages in the sale of more than one
46 type of alcoholic beverage.

47 2. All sales of malt beverages, wine, and liquor.

48 (2) (a)1. A distributor of malt beverages, wine, and liquor
49 shall be compensated in the form of a deduction from the amount
50 of the excise tax due under s. 563.05, s. 564.06, or s. 565.12

51 for the extraordinary loss of such alcoholic beverages. The
52 actual gallonage of the extraordinary loss shall be deducted.

53 2. As used in this subsection, "extraordinary loss" means:

54 a. An unusual loss that is not expected to recur, which
55 results from an act of God or nature;

56 b. An accident that occurs during interstate or intrastate
57 shipment from manufacturer to distributor, distributor to
58 distributor, or distributor to retailer; or

59 c. A product recall by a manufacturer, resulting in
60 product destruction, dumping, or recycling of such product by a
61 distributor.

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63 The term does not include any loss from breakage, spoilage, or
64 evaporation, incurred on the licensed premises in the normal
65 course of business, which merely exceed the standard deductions
66 under subsection (1).

67 (b)1. A distributor of malt beverages, wine, or liquor
68 shall notify the division immediately upon the occurrence of an
69 extraordinary loss.

70 2. The distributor must show proof of the extraordinary
71 loss occurrence by:

72 a. Providing a copy of a traffic accident investigation or
73 incident report from the investigating agency when the loss
74 occurs in transit;

75 b. A division employee or an authorized representative

76 witnessing the extraordinary loss on the premises where the loss
77 occurs; or

78 c. Any other appropriate documentation which clearly and
79 objectively establishes the extraordinary loss.

80 3. The distributor must show proof of the destruction,
81 dumping, or recycling of malt beverages, wine, or liquor
82 involved in an extraordinary loss occurrence by submitting a
83 statement to the division from the employee responsible for the
84 destruction, dumping, or recycling. The statement shall include:

85 a. A description of the alcoholic beverages, by gallon and
86 tax category, which have been destroyed, dumped, or recycled.

87 b. A statement detailing the location of the extraordinary
88 loss occurrence and the location of the site of destruction,
89 dumping, or recycling.

90 4. The distributor shall request that the division witness
91 any remaining undamaged, invoiced inventory which is used by the
92 distributor.

93 5. If a distributor of malt beverages, wine, or liquor
94 reports to the division breakage, spoilage, or evaporation of
95 such product that is an extraordinary loss under subparagraph
96 (a)2., the distributor must show proof that excise tax
97 deductions pursuant to subsection (1), or any other source or
98 recovery, has not been obtained. Upon request by the division,
99 copies of all insurance claims and receipts of payment must be
100 provided to the division. The actual gallonage of breakage,

101 spoilage, or evaporation of alcoholic beverages must be recorded
102 on forms prescribed by the division, which forms shall contain:

103 a. The date of product destruction, dumping, or recycling.

104 b. The quantity destroyed, dumped, or recycled by tax
105 classification.

106 c. A statement signed by an authorized employee or agent
107 of the distributor that the product was destroyed, dumped, or
108 recycled.

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110 All completed forms shall be maintained by the division for a
111 period of at least 3 years.

112 (3) The division may adopt rules to implement this
113 section.

114 **Section 2.** This act shall take effect upon becoming a law.