



LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/20/2026	.	
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The Committee on Regulated Industries (Mayfield) recommended the following:

1                   **Senate Amendment (with title amendment)**

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3                   Delete everything after the enacting clause  
4 and insert:

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

7                   561.1215 Deductions for breakage, spoliation, evaporation,  
8 expiration, and extraordinary losses.—

9                   (1) (a) Distributors of vinous, spirituous, or malt  
10 beverages may make deductions against any excise tax due under



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11 s. 563.05, s. 564.06, or s. 565.12 on their monthly tax report  
12 for alcoholic beverages that have become unsellable through  
13 warehouse breakage, spoliation, evaporation, or expiration or  
14 that have become unfit for human consumption, in an amount equal  
15 to the following:

16 1. For vinous sales, 0.49 percent of gross tax.

17 2. For spirituous beverage sales, 0.15 percent of gross  
18 tax.

19 3. For malt beverage sales, 0.20 percent of gross tax or  
20 the actual breakage or spoliation.

21 (b) The method of determining breakage for malt beverages,  
22 either percentage or actual gallonage, must be elected annually  
23 and will be effective for 1 calendar year unless the license is  
24 transferred or 100 percent of the stock is sold to a new owner.

25 (c) Distributors that distribute more than one type of  
26 alcoholic beverage shall deduct the gross taxes for their  
27 products as prescribed in this subsection for vinous,  
28 spirituous, or malt beverages.

29 (2) (a) Extraordinary losses of vinous, spirituous, or malt  
30 beverages are excluded from the deductions in subsection (1).  
31 For purposes of this section, the term "extraordinary loss"  
32 means an unusual loss resulting from acts of God or nature which  
33 are not expected to recur; accidents that occur during  
34 interstate or intrastate shipment from manufacturer to  
35 distributor, from distributor to distributor, or from  
36 distributor to retailer; or products being recalled by a  
37 manufacturer and destroyed by a distributor. The term does not  
38 include a loss from evaporation, breakage, or spoliation  
39 incurred on the licensed premises in the normal course of



40 business which exceeds the standard deductions prescribed in  
41 subsection (1).

42 (b) A distributor shall immediately notify the division  
43 when an extraordinary loss occurs. A distributor may deduct the  
44 actual gallonage of the extraordinary loss. The distributor  
45 shall show proof of the extraordinary loss before recovering or  
46 crediting any excise tax due to the unsalable alcoholic  
47 beverages by:

48 1. Providing a copy of a traffic accident investigation  
49 report or an incident report from the investigating agency when  
50 the loss occurs in transit;

51 2. Having the extraordinary loss witnessed or documented by  
52 an authorized division employee when the extraordinary loss  
53 occurs on the premises of the distributor; or

54 3. Clearly and objectively establishing the extraordinary  
55 loss through appropriate documentation as determined by the  
56 division.

57 (c) The distributor shall show proof of the destruction,  
58 dumping, or recycling of the alcoholic beverages involved in the  
59 extraordinary loss by providing a statement to the division from  
60 the distributor, or the distributor's authorized employee or  
61 agent, evidencing such destruction, dumping, or recycling. The  
62 statement must include a description of the location of the  
63 extraordinary loss; the alcoholic beverages, by gallonage and  
64 tax category, which have been destroyed, dumped, or recycled;  
65 and the location of the site where the alcoholic beverages were  
66 destroyed, dumped, or recycled.

67 (3) (a) Upon notification by a distributor, the division  
68 shall inspect any remaining undamaged invoiced inventory



69 intended to be distributed.

70 (b) 1. A distributor reporting extraordinary losses must  
71 furnish proof that the excise tax has not been recovered from  
72 any other source. The distributor shall provide the division  
73 with copies of all insurance claims and receipts of payment upon  
74 request by the division.

75 2. The distributor shall record on forms prescribed by the  
76 division the actual gallonage of breakage, spoliation, or  
77 evaporation of alcoholic beverages; the date of product  
78 destruction; the quantity destroyed, by tax classification; and  
79 a statement signed by the distributor, or the distributor's  
80 authorized employee or agent, that the product was destroyed.

81 3. The division shall retain all completed forms for 3  
82 years.

83 (4) The division may adopt rules and forms to implement  
84 this section.

85 (5) This section applies retroactively to January 1, 2025.

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

88 ===== T I T L E A M E N D M E N T =====

89 And the title is amended as follows:

90 Delete everything before the enacting clause  
91 and insert:

92 A bill to be entitled  
93 An act relating to deductions for certain losses of  
94 alcoholic beverages; creating s. 561.1215, F.S.;  
95 authorizing a distributor of vinous, spirituous, or  
96 malt beverages to make an excise tax deduction in its  
97 monthly tax report for alcoholic beverages that have



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98       become unsalable through warehouse breakage,  
99       spoliation, evaporation, or expiration or that have  
100      become unfit for human consumption; specifying the  
101      percentage a distributor may deduct for such alcoholic  
102      beverages; requiring that the method of determining  
103      breakage for malt beverages be elected annually;  
104      providing that the method is effective for a specified  
105      timeframe; providing an exception; requiring  
106      distributors that distribute more than one type of  
107      alcoholic beverage to deduct their gross taxes for  
108      products according to those specified in a specified  
109      manner; excluding extraordinary losses of vinous,  
110      spirituous, or malt beverages from such deductions;  
111      defining the term "extraordinary loss"; requiring a  
112      distributor to immediately notify the Division of  
113      Alcoholic Beverages and Tobacco when an extraordinary  
114      loss occurs; authorizing a distributor to deduct the  
115      actual gallonage of the extraordinary loss; requiring  
116      such distributors to show proof of the extraordinary  
117      loss before recovering or crediting any excise tax due  
118      to the unsalable alcoholic beverages; specifying the  
119      manner in which a distributor may show such proof;  
120      requiring a distributor to show proof of the  
121      destruction, dumping, or recycling of the alcoholic  
122      beverages involved in the extraordinary loss;  
123      specifying the manner in which to show such proof;  
124      requiring the division to inspect any remaining  
125      undamaged invoiced inventory intended to be  
126      distributed upon being notified by the distributor;



127       requiring a distributor reporting extraordinary losses  
128       to furnish proof that the excise tax has not been  
129       recovered from any other source; requiring the  
130       distributor to provide the division with copies of all  
131       insurance claims and receipts of payment upon request;  
132       requiring distributors to record certain information  
133       on forms prescribed by the division; requiring the  
134       division to retain such forms for a specified  
135       timeframe; authorizing the division to adopt rules and  
136       forms; providing retroactive application; providing an  
137       effective date.