

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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SENATE BILL 713  
PROPOSED COMMITTEE SUBSTITUTE S713-PCS75161-MA-24

Short Title: Spirituous Liquor Sales - Distilleries.

(Public)

Sponsors:

Referred to:

April 20, 2011

A BILL TO BE ENTITLED

AN ACT TO ALLOW DISTILLERIES IN NORTH CAROLINA TO SELL, TO PATRONS WHO HAVE PARTICIPATED IN A TOUR OF A DISTILLERY, AT RETAIL SPIRITUOUS LIQUOR THAT HAS BEEN DISTILLED AT THE LICENSED DISTILLERY FOR THE PRICE SET BY THE NORTH CAROLINA ALCOHOLIC BEVERAGE CONTROL COMMISSION OF THAT PARTICULAR BRAND OF SPIRIT TO INCLUDE ALL APPLICABLE EXCISE AND SALES TAXES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 18B-1105 reads as rewritten:

**"§ 18B-1105. Authorization of distillery permit.**

(a) Authorized Acts. – The holder of a distillery permit may:

- (1) Manufacture, purchase, import, possess and transport ingredients and equipment used in the distillation of spirituous ~~liquor~~ liquor.
- (2) Sell, deliver and ship spirituous liquor in closed containers at wholesale to exporters and local boards within the State, and, subject to the laws of other jurisdictions, at wholesale or retail to private or public agencies or establishments of other states or ~~nations~~ nations.
- (3) Transport into or out of the distillery the maximum amount of liquor allowed under federal law, if the transportation is related to the distilling process.
- (4) In an area where the establishment of an ABC store has been approved pursuant to G.S. 18B-602(g) and at those distilleries which hold tours of the distillery and its full operation as a regular course of business, sell spirituous liquor distilled at the distillery, in closed containers, to patrons who participate in tours of the distillery, at retail on the premises of the distillery for consumption off the premises. Spirituous liquor sold at a distillery pursuant to this subdivision shall be sold at the price set by the Commission for that brand of spirit to include all applicable excise and sales taxes. All excise and sales taxes shall be remitted by the permittee to the Department of Revenue. Retail sales of spirituous liquor pursuant to this subdivision shall be subject to the provisions of G.S. 18B-802. Sales of spirituous liquor to a tour group on a prearranged tour of the distillery may occur between the hours of 9 A.M. and 9 P.M. on any day the sale of spirituous liquor at an ABC store is authorized by G.S. 18B-802. Sales of spirituous liquor to patrons who participate in walk-in tours shall occur only between the hours



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1                   of 2 P.M. and 8 P.M. on any day the sale of spirituous liquor is authorized at  
2                   an ABC store by G.S. 18B-802. With respect to spirituous liquor, a permittee  
3                   may sell no more than two liters per product label produced on site by the  
4                   distillery in a single business day to any patron participating in a tour. In  
5                   addition to the two liters per product label produced on site by the distillery,  
6                   as authorized by this subdivision, a permittee may sell up to four 50 ml  
7                   bottles of spirituous liquor in a single business day to any patron  
8                   participating in a tour. The Commission shall adopt rules regulating the retail  
9                   sale of spirituous liquor at distilleries.

10           (b)     Distilleries for Fuel Alcohol. – Any person in possession of a Federal Operating  
11     Permit pursuant to Title 27, Code of Federal Regulations, Part 201.64 through 201.65 or Part  
12     201.131 through 201.138 shall obtain a fuel alcohol permit before manufacturing any alcohol.  
13     The permit shall entitle the permittee to perform only those acts allowed by the Federal  
14     Operating Permit, and all conditions of the Federal Operating Permit shall apply to the State  
15     permit."

16                   **SECTION 2.** This act becomes effective October 1, 2011.