GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2015

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HOUSE BILL 909 PROPOSED COMMITTEE SUBSTITUTE H909-PCS30368-SAxf-36

Short Title: Sale of Antique Spirituous Liquor. (Public) Sponsors: Referred to: April 20, 2015 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE AND REGULATE THE SALE OF ANTIQUE SPIRITUOUS LIQUOR. The General Assembly of North Carolina enacts: **SECTION 1.** G.S. 18B-101 reads as rewritten: "§ 18B-101. Definitions. As used in this Chapter, unless the context requires otherwise: "ALE Branch" means the Alcohol Law Enforcement Branch of the (5) Department of Public Safety. "Antique spirituous liquor" means spirituous liquor that has not been in (5a) production or bottled in the last 20 years, is in the original manufacturer's unopened container, is not owned by a distillery, and is not otherwise available for purchase by an ABC Board except through the special order process pursuant to G.S. 18B-1001(20). "Antique spirituous liquor seller" means a person who sells antique (5b)spirituous liquor to an ABC Board. "Bailment surcharge" means the charge imposed on each case of liquor (5c)shipped from a Commission warehouse as provided in G.S. 18B-208. This bailment surcharge is in addition to the bailment charge imposed by G.S. 18B-804(b)(2). **SECTION 2.** G.S. 18B-1001 is amended by adding a new subsection to read: Antique spirituous liquor permit. – A permit under this subdivision may be issued to a holder of a mixed beverages permit issued under subdivision (10) of this subsection. Notwithstanding any law to the contrary, the permit holder may sell at retail antique spirituous liquor for use in mixed beverages for consumption on premises. The acquisition of antique spirituous liquor on or after September 1, 2015, shall be in accordance with the process established by rule of the Commission for special orders of spirituous liquor that is not on the list approved by the Commission." **SECTION 3.** G.S. 18B-902(d) is amended by adding a new subdivision to read: "(43) Antique spirituous liquor permit – \$100.00." **SECTION 4.** G.S. 18B-1001(10) reads as rewritten:



"(10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail

sale of mixed beverages for consumption on the premises. The permit also

authorizes a mixed beverages permittee (i) to obtain a purchase-transportation permit under G.S. 18B-403 and 18B-404, (ii) to obtain an antique spirituous liquor permit under subdivision (20) of this section, and (iii) to use for culinary purposes spirituous liquor lawfully purchased for use in mixed beverages. The permit may be issued for any of the following:

- a. Restaurants;
- b. Hotels;
- c. Private clubs;
- d. Convention centers;
- e. Community theatres;
- f. Nonprofit organizations; and
- g. Political organizations."

SECTION 5. G.S. 18B-804 reads as rewritten:

"§ 18B-804. Alcoholic beverage pricing.

- (a) Uniform Price of Spirituous Liquor. The retail price of spirituous liquor sold in ABC stores shall be uniform throughout the State, unless otherwise provided by the ABC law.
- (b) Sale Price of Spirituous Liquor. The sale of spirituous liquor, including antique spirituous liquor, sold at the uniform State price shall consist of the following components:
 - (1) The distiller's <u>or the antique spirituous liquor seller's price</u>.
 - (2) The freight and bailment charges of the State warehouse as determined by the Commission.
 - (3) A markup for local boards as determined by the Commission.
 - (4) The tax levied under G.S. 105-113.80(c), which shall be levied on the sum of subdivisions (1), (2), and (3).
 - (5) An additional markup for local boards equal to three and one-half percent (3 1/2%) of the sum of subdivisions (1), (2), and (3).
 - (6) A bottle charge of one cent (1ϕ) on each bottle containing 50 milliliters or less and five cents (5ϕ) on each bottle containing more than 50 milliliters.
 - (6a) The bailment surcharge.
 - (6b) An additional bottle charge for local boards of one cent (1ϕ) on each bottle containing 50 milliliters or less and five cents (5ϕ) on each bottle containing more than 50 milliliters.
 - (7) A rounding adjustment, the formula of which may be determined by the Commission, so that the sale price will be divisible by five.
 - (8) If the spirituous liquor is sold to a mixed beverage permittee for resale in mixed beverages, a charge of twenty dollars (\$20.00) on each four liters and a proportional sum on lesser quantities.
 - (9) If the spirituous liquor is sold to a guest room cabinet permittee for resale, a charge of twenty dollars (\$20.00) on each four liters and a proportional sum on lesser quantities.

SECTION 6. G.S. 105-113.80(c) reads as rewritten:

- "(c) Liquor. An excise tax of thirty percent (30%) is levied on <u>spirituous liquor and antique spirituous liquor</u> sold in ABC stores. Pursuant to G.S. 18B-804(b), the price of liquor on which this tax is computed is the distiller's <u>or the antique spirituous liquor seller's</u> price plus (i) the State ABC warehouse freight and bailment charges, charges and (ii) a markup for local ABC boards."
- **SECTION 7.** No later than September 1, 2015, the ABC Commission shall establish and adopt temporary rules to implement the provisions of this act.

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SECTION 8. Sections 1 through 6 of this act become effective upon adoption of rules pursuant to Section 7 of this act. The remainder of this act is effective when it becomes law.