

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 713

Short Title: Spirituous Liquor Sales/Tastings-Distilleries. (Public)

Sponsors: Senator Nesbitt.

Referred to: Rules and Operations of the Senate.

April 20, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW DISTILLERIES IN NORTH CAROLINA TO SELL AT RETAIL
3 SPIRITUOUS LIQUOR THAT HAS BEEN DISTILLED AT THE LICENSED
4 DISTILLERY FOR THE PRICE SET BY THE NORTH CAROLINA ALCOHOLIC
5 BEVERAGE CONTROL COMMISSION OF THAT PARTICULAR BRAND OF SPIRIT
6 TO INCLUDE ALL APPLICABLE EXCISE AND SALES TAXES AND TO ALLOW
7 SPIRITUOUS LIQUOR TASTINGS AT DISTILLERIES.

8 The General Assembly of North Carolina enacts:

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

10 "§ 18B-1105. Authorization of distillery permit.

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

12 (1) Manufacture, purchase, import, possess and transport ingredients and
13 equipment used in the distillation of spirituous ~~liquor~~; liquor.

14 (2) Sell, deliver and ship spirituous liquor in closed containers at wholesale to
15 exporters and local boards within the State, and, subject to the laws of other
16 jurisdictions, at wholesale or retail to private or public agencies or
17 establishments of other states or ~~nations~~; nations.

18 (3) Transport into or out of the distillery the maximum amount of liquor allowed
19 under federal law, if the transportation is related to the distilling process.

20 (4) Sell spirituous liquor, distilled at the distillery, in closed containers at retail
21 on the premises of the distillery for consumption off the premises. Spirituous
22 liquor sold at a distillery pursuant to this subdivision shall be sold at the
23 price set by the Commission to include all applicable excise and sales taxes.
24 Retail sales of spirituous liquor pursuant to this subdivision shall be subject
25 to the hours of sales provision in G.S. 18B-1004. The Commission shall
26 adopt rules regulating the retail sale of spirituous liquor at distilleries.

27 (b) Distilleries for Fuel Alcohol. – Any person in possession of a Federal Operating
28 Permit pursuant to Title 27, Code of Federal Regulations, Part 201.64 through 201.65 or Part
29 201.131 through 201.138 shall obtain a fuel alcohol permit before manufacturing any alcohol.
30 The permit shall entitle the permittee to perform only those acts allowed by the Federal
31 Operating Permit, and all conditions of the Federal Operating Permit shall apply to the State
32 permit."

33 SECTION 2. Article 11 of Chapter 18B of the General Statutes is amended by
34 adding a new section to read:

35 "§ 18B-1105.2. Spirituous liquor tasting at distilleries.

36 The holder of any distillery permit authorized by G.S. 18B-1105 may conduct a consumer
37 tasting event at the distillery subject to the following conditions:



- 1 (1) Any person pouring wine at a wine tasting shall be an employee of the
2 distillery and at least 21 years of age.
- 3 (2) The person pouring the spirituous liquor shall be responsible for checking
4 the identification of patrons being served at the tasting.
- 5 (3) Each consumer is limited to tasting samples which total no more than 1.5
6 ounces of spirituous liquor in any calendar day.
- 7 (4) The consumer shall not be charged for any spirituous liquor tasting sample.
- 8 (5) The spirituous liquor used in the consumer tasting event shall be distilled at
9 the distillery where the event is being held by the permit holder conducting
10 the event.
- 11 (6) A consumer tasting event shall not be allowed when the sale of spirituous
12 liquor is otherwise prohibited.
- 13 (7) Tasting samples are not to be offered to, or allowed to be consumed by, any
14 person under the legal age for consuming spirituous liquor.
- 15 (8) A consumer tasting event may not be advertised by the permit holder in any
16 type of media, including, but not limited to, print, radio, television, Internet,
17 and signage.

18 The distillery permit holder shall be solely liable for any violations of this Chapter
19 occurring in connection with the tasting. The Commission shall adopt rules to assure that the
20 tastings are limited to samplings and not a subterfuge for the unlawful sale or distribution of
21 spirituous liquor and that the tastings are not used by industry members for unlawful
22 inducements to retail permit holders."

23 **SECTION 3.** This act becomes effective October 1, 2011.