

1 SB132  
2 172996-4  
3 By Senators Singleton and Sanford  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 03-FEB-16

1 SB132

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4 ENROLLED, An Act,

5 Relating to alcoholic beverages; to amend Section  
6 28-3A-6 of the Code of Alabama 1975; to allow a licensed  
7 distillery to sell at retail up to 750 milliliters of its  
8 product per day to a customer for off-premises consumption; to  
9 require the distillery to keep records of sales for  
10 off-premises consumption; and to specify that liquor sold for  
11 off-premises consumption must be sealed, labeled, packaged,  
12 and taxed in accordance with current regulations.

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. Section 28-3A-6 of the Code of Alabama  
15 1975, is amended to read as follows:

16 "§28-3A-6.

17 "(a) Upon applicant's compliance with the provisions  
18 of this chapter and the regulations made thereunder, the board  
19 shall issue to applicant a manufacturer license which shall  
20 authorize the licensee to manufacture or otherwise distill,  
21 produce, ferment, brew, bottle, rectify, or compound alcoholic  
22 beverages within this state or for sale or distribution within  
23 this state. No person shall manufacture or otherwise distill,  
24 produce, ferment, brew, bottle, rectify or compound alcoholic  
25 beverages within this state or for sale or distribution within

1 this state or to the state, the board, or any licensee of the  
2 board, unless such person or the authorized representative of  
3 the person shall be granted a manufacturer license issued by  
4 the board.

5 "(b) No manufacturer licensee shall sell any  
6 alcoholic beverages direct to any retailer or for consumption  
7 on the premises where sold except as specified under  
8 subsection (h) (1), nor sell or deliver any such alcoholic  
9 beverages in other than original containers approved as to  
10 capacity by the board and in accordance with standards of fill  
11 prescribed by the U. S. Treasury Department, nor maintain or  
12 operate within the state any place or places, other than the  
13 place or places covered by the manufacturer license, where  
14 alcoholic beverages are sold or where orders are taken.

15 "(c) Each manufacturer licensee shall be required to  
16 file with the board, prior to making any sales in Alabama a  
17 list of its labels to be sold in Alabama and shall file with  
18 the board its federal certificate of label approvals or its  
19 certificates of exemption as required by the U. S. Treasury  
20 Department. All liquors and wines whose labels have not been  
21 registered as herein provided for shall be considered  
22 contraband and may be seized by the board or its agents, or  
23 any peace officer of the State of Alabama without a warrant  
24 and the goods shall be delivered to the board and disposed of  
25 as provided by law.

1           "(d) All such manufacturer licensees shall be  
2 required to mail to the board prior to the twentieth day of  
3 each month a consolidated report of all shipments of alcoholic  
4 beverages made to each wholesaler during the preceding month.  
5 Such reports shall be in such form and containing such  
6 information as the board may prescribe.

7           "(e) Every manufacturer shall keep at its principal  
8 place of business within the state, daily permanent records  
9 which shall show the quantities of raw materials received and  
10 used in the manufacture of alcoholic beverages, and the  
11 quantities of alcoholic beverages manufactured and stored, the  
12 sale of alcoholic beverages, the quantities of alcoholic  
13 beverages stored for hire or transported for hire by or for  
14 the licensee and the names and addresses of the purchasers or  
15 other recipients thereof.

16           "(f) Every place licensed as a manufacturer shall be  
17 subject to inspection by members of the board or by persons  
18 duly authorized and designated by the board at any and all  
19 times of the day or night as they may deem necessary, for the  
20 detection of violations of this chapter, of any law, or of the  
21 rules and regulations of the board, or for the purpose of  
22 ascertaining the correctness of the records required to be  
23 kept by the licensees. The books and records of such licensees  
24 shall, at all times, be open to inspection by members of the  
25 board, or by persons duly authorized and designated by the

1 board. Members of the board and its duly authorized agents  
2 shall have the right, without hindrance, to enter any place  
3 which is subject to inspection hereunder, or any place where  
4 such records are kept for the purpose of making such  
5 inspections and making transcripts thereof.

6 "(g) Licenses issued under this section shall,  
7 unless revoked in the manner provided in this chapter, be  
8 valid for the license year commencing January 1 of each year.

9 "(h) (1) A manufacturer licensee actively and  
10 continuously engaged in the manufacture of alcoholic beverages  
11 on the manufacturer's licensed premises in the ~~State of~~  
12 ~~Alabama~~ state may conduct tastings or samplings on the  
13 licensed premises, as regulated by the ABC Board except as to  
14 quantity and hours of operation, or as otherwise provided by  
15 statute, and for that purpose give away or sell alcoholic  
16 beverages manufactured there for consumption on only one  
17 premises where manufactured.

18 "~~(2)~~ All alcoholic beverages manufactured and  
19 retained on the manufacturer's licensed premises for tasting  
20 or sampling shall remain on the premises and be dispensed from  
21 a barrel or keg or other original containers.

22 "(2) A manufacturer licensee engaged in the  
23 manufacture of liquor on the manufacturer's licensed premises  
24 in the state may sell at retail on its licensed premises, for  
25 off-premises consumption, liquor manufactured at that licensed

1 premises; provided, however, liquor sold for off-premises  
2 consumption may not exceed 750 milliliters per customer per  
3 day and shall be sealed, labeled, packaged, and taxed in  
4 accordance with state and federal laws and regulations. The  
5 manufacturer licensee shall keep and maintain records for  
6 three years of all sales for off-premises consumption.

7           "(i) (1) In addition to the licenses provided for by  
8 Chapter 3A of this title, and any county or municipal license,  
9 there is levied on the manufacturer of the alcoholic beverages  
10 dispensed on the premises the privilege or excise tax imposed  
11 on beer by Sections 28-3-184 and 28-3-190; and imposed on  
12 table wine by Section 28-7-18; and imposed on liquor by  
13 Sections 28-3-200 to 28-3-205, inclusive. Every manufacturer  
14 licensee shall file the tax returns, pay the taxes, and  
15 perform all obligations imposed on wholesalers at the times  
16 and places set forth therein. It shall be unlawful for any  
17 manufacturer licensee who is required to pay the taxes so  
18 imposed in the first instance to fail or refuse to add to the  
19 sale price and collect from the purchaser the required amount  
20 of tax, it being the intent and purpose of this provision that  
21 each of the taxes levied is in fact a tax on the consumer,  
22 with the manufacturer licensee who pays the tax in the first  
23 instance acting merely as an agent of the state for the  
24 collection and payment of the tax levied by Section 28-3-184;  
25 as an agent for the county or municipality for the collection

1 and payment of the tax levied by Section 28-3-190; as an agent  
2 for the county or municipality for collection and payment of  
3 the tax levied by Section 28-7-18; and as an agent for the  
4 state for collection and payment of the tax levied by Sections  
5 28-3-200 to 28-3-205, inclusive.

6 "(2) The manufacturer licensee shall keep and  
7 maintain all records required to be kept and maintained by  
8 manufacturer, wholesaler, and retailer licensees for the tax  
9 so levied."

10 Section 2. This act shall become effective on the  
11 first day of the third month following its passage and  
12 approval by the Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB132

Senate 10-MAR-16

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris  
Secretary

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House of Representatives  
Passed: 05-APR-16

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By: Senator Singleton