DRAFT LC 36 2712

A BILL TO BE ENTITLED AN ACT

To amend Chapter 4 of Title 3 of the Official Code of Georgia Annotated, relating to distilled spirits, so as to change certain provisions relating to manufacturing of distilled spirits and the promotion such of products; to change certain provisions relating to the number of samples of distilled spirits that may provided to a person in a calendar day; to provide for definitions of certain terms; to authorize retail sales of distilled spirits manufactured by a distiller to be sold on the premises of the distillery; to require a license for retail sales; to specify the quantity of distilled spirits that may be sold at retail; to provide for the conditions under which such retail sales may be conducted; to provide for the collection of excise taxes; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 4 of Title 3 of the Official Code of Georgia Annotated, relating to distilled spirits, is amended by revising Code Section 3-4-180, relating to tastings of distilled spirits, definitions, and general provisions, as follows:

"3-4-180.

- (a) As used in this Code section, the term:
 - (1) 'Free tastings' means the provision of complimentary samples of distilled spirits to the public for consumption on the premises of a distiller.
 - (2) 'Sample' means one-half of one ounce of distilled spirits.
- (b) The commissioner shall, upon proper application therefor, issue an annual permit to any distiller licensed in this state authorizing such distiller to conduct educational and promotional distillery tours which may include free tastings on the premises by members of the public of tax-paid varieties of distilled spirits manufactured by such distiller.
- (c) No distiller conducting free tastings under this Code section shall provide, directly or indirectly, more than the one sample three samples to a person in one calendar day. Free

DRAFT LC 36 2712

tastings shall be held in a designated tasting area on the premises of the distiller, and all open bottles shall be visible at all times."

29 SECTION 2.

Said chapter is further amended by adding a new Code section to read as follows:

"<u>3-4-181.</u>

- (a) As used in this Code section, the term:
 - (1) 'Licensed premises' means a location where the distiller is licensed pursuant to this chapter for the manufacturing, distilling, rectifying, or blending of distilled spirits and includes areas where the distilled spirits are produced or stored and any other areas normally used by the distillery to conduct business.
 - (2) 'Retail sales' means sales of distilled spirits in sealed bottles at retail only to consumers and not for resale.
- (b) The commissioner shall, upon proper application therefor, issue a license for retail sales to a distiller licensed in this state authorizing such distiller to offer retail sales of distilled spirits manufactured by the distiller at its licensed premises. The distilled spirits sold by the distiller pursuant to such license for retail sales shall be limited to those distilled spirits manufactured by the distiller at the distillery upon whose licensed premises the retail sales are being conducted. The distiller shall sell no more than two bottles of such distilled spirits to the same consumer per day not to exceed three and a half liters of distilled spirits to the same consumer per day.
- (c) Retail sales made pursuant to this Code section shall be conducted in a designated retail sales area on the licensed premises that may be the same area as the designated tasting area for free tastings conducted pursuant to Code Section 3-4-180.
- (d) Any distiller conducting retail sales at its licensed premises shall remit excise taxes to the department and local governing authorities for the distilled spirits sold in an amount equal to taxes paid by wholesalers on distilled spirits and shall collect and pay applicable Georgia state and local sales tax on such retail sales. The distillery shall maintain such sales tax reports, documentation, and other information as may be required by the commissioner to ensure collection of all applicable taxes."

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.