

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1015

S.P. 294

In Senate, February 26, 2019

An Act To Support Maine Craft Distillers

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator LUCHINI of Hancock.
Cosponsored by Speaker GIDEON of Freeport and
Representative: MADIGAN of Waterville.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 28-A MRSA §1355-A, sub-§5, ¶G,** as amended by PL 2015, c. 440, §1,
3 is further amended to read:

4 G. Notwithstanding paragraph D, a holder of a small distillery license licensed under
5 paragraph B, subparagraph (3) to operate a retail location for off-premises
6 consumption may pay the bureau the difference between the distillery's price charged
7 to the bureau and the discounted list price charged by the bureau when a distillery
8 purchases its own spirits to be sold at retail from its off-premises location. A small
9 distillery is not required to transport spirits that will be sold for off-premises
10 consumption under paragraph B, subparagraph (3) to a warehouse operated by the
11 bureau or by a wholesaler contracted by the bureau under section 90 for distribution
12 to the location where the small distillery is authorized to sell spirits produced by the
13 small distillery for off-premises consumption. A holder of a small distillery license
14 shall record the quantity of spirits sold for off-premises consumption that were not
15 transported to a warehouse as described in this paragraph and submit monthly reports
16 of this information, along with the full amount of state liquor tax due as prescribed by
17 chapter 65, to the bureau in a manner prescribed by the bureau. A holder of a small
18 distillery license is not liable for any bailment or distribution fees imposed by a
19 warehouse operated by the bureau or by a wholesaler contracted by the bureau under
20 section 90 for spirits sold for off-premises consumption that were not transported to a
21 warehouse as described in this paragraph.

22 **Sec. 2. 28-A MRSA §1355-A, sub-§5, ¶H,** as enacted by PL 2015, c. 440, §2, is
23 amended to read:

24 H. Notwithstanding paragraph D, a holder of a small distillery license licensed under
25 paragraph E to operate a location licensed under chapter 43 for on-premises
26 consumption may pay the bureau the difference between the distillery's price charged
27 to the bureau and the discounted list price charged by the bureau when a distillery
28 purchases its own spirits to be sold at its on-premises location. A small distillery is
29 not required to transport spirits that will be sold for on-premises consumption under
30 paragraph E to a warehouse operated by the bureau or by a wholesaler contracted by
31 the bureau under section 90 for distribution to the location where the small distillery
32 is authorized to sell spirits produced by the small distillery for on-premises
33 consumption. A holder of a small distillery license shall record the quantity of spirits
34 sold for on-premises consumption that were not transported to a warehouse as
35 described in this paragraph and submit monthly reports of this information, along
36 with the full amount of state liquor tax due as prescribed by chapter 65, to the bureau
37 in a manner prescribed by the bureau. A holder of a small distillery license is not
38 liable for any bailment or distribution fees imposed by a warehouse operated by the
39 bureau or by a wholesaler contracted by the bureau under section 90 for spirits sold
40 for on-premises consumption that were not transported to a warehouse as described in
41 this paragraph.

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SUMMARY

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This bill exempts the holder of a small distillery license from bailment or other distribution fees if the product sold by that license holder, either for on-premises or off-premises consumption, was not transported to a warehouse operated by the State or a wholesaler contracted by the State.

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