

By: Kuempel

H.B. No. 1997

A BILL TO BE ENTITLED

AN ACT

relating to the sale of distilled spirits to ultimate consumers by the holder of a distiller's and rectifier's permit.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 14.01(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The holder of a distiller's and rectifier's permit may:

(1) manufacture distilled spirits;

(2) rectify, purify, and refine distilled spirits and wines;

(3) mix wines, distilled spirits, or other liquors;

(4) bottle, label, and package the permit holder's finished products;

(5) sell the finished products in this state to holders of wholesaler's permits and to qualified persons outside the state;

(6) import distilled spirits, to be used only for manufacturing or rectification purposes, from holders of nonresident seller's permits; ~~and~~

(7) dispense free distilled spirits for consumption on the permitted premises under Section 14.04; and

(8) if located in a wet area, sell distilled spirits to ultimate consumers under Section 14.04 or 14.05.

SECTION 2. Section 14.04(a), Alcoholic Beverage Code, is

1 amended to read as follows:

2 (a) The holder of a distiller's and rectifier's permit may
3 conduct distilled spirits samplings on the permitted premises. The
4 permit holder may dispense free samples or collect a fee for the
5 sampling.

6 SECTION 3. Chapter 14, Alcoholic Beverage Code, is amended
7 by adding Section 14.05 to read as follows:

8 Sec. 14.05. SALES TO ULTIMATE CONSUMERS. (a) The holder of
9 a distiller's and rectifier's permit may sell to ultimate consumers
10 for consumption on the permitted premises distilled spirits
11 manufactured or rectified by the permit holder in an amount not to
12 exceed 3,000 gallons annually.

13 (b) The holder of a distiller's and rectifier's permit may
14 sell distilled spirits manufactured by the permit holder to
15 ultimate consumers for off-premises consumption in unbroken
16 packages containing not more than 750 milliliters of distilled
17 spirits for off-premises consumption in an amount not to exceed
18 3,500 gallons annually.

19 (c) The holder of a distiller's and rectifier's permit may
20 not under Subsection (b) sell more than two 750 milliliter bottles
21 of distilled spirits or the equivalent to the same consumer within a
22 30-day period.

23 (d) A sale under Subsection (b):

24 (1) may be made only to an individual who is physically
25 present at the permit holder's premises; and

26 (2) must be delivered to the purchaser in person
27 during the purchaser's visit.

1 (e) A person may not make a purchase under Subsection (b) as
2 an agent for another person.

3 (f) The permit holder must check a purchaser's
4 identification and keep records of purchases in a manner that
5 enables the permit holder to comply with this section.

6 (g) A bottle of distilled spirits sold on the permit
7 holder's premises under Subsection (b) must bear a notice affixed
8 to the bottle that:

9 (1) does not obscure the label approved by the Alcohol
10 and Tobacco Tax and Trade Bureau;

11 (2) states that the bottle is commemorative;

12 (3) states the month and year the bottle is sold; and

13 (4) is signed by an agent of the permit holder.

14 SECTION 4. Chapter 105, Alcoholic Beverage Code, is amended
15 by adding Section 105.081 to read as follows:

16 Sec. 105.081. HOURS OF SALE AND CONSUMPTION: DISTILLERY.

17 (a) The holder of a distiller's and rectifier's permit may sell and
18 offer for sale distilled spirits for on-premises consumption and a
19 person may consume distilled spirits on the permitted premises
20 during the same hours mixed beverages may be sold and offered for
21 sale by a mixed beverage permit holder under Section 105.03(b).

22 (b) The holder of a distiller's and rectifier's permit may
23 sell, offer for sale, and deliver distilled spirits to ultimate
24 consumers for off-premises consumption during the same hours as the
25 holder of a package store permit may sell, offer for sale, or
26 deliver distilled spirits to ultimate consumers for off-premises
27 consumption.

1 SECTION 5. Section 183.001(b)(1), Tax Code, is amended to
2 read as follows:

3 (1) "Permittee" means a mixed beverage permittee, a
4 private club registration permittee, a private club exemption
5 certificate permittee, a private club late hours permittee, a daily
6 temporary private club permittee, a private club registration
7 permittee holding a food and beverage certificate, a daily
8 temporary mixed beverage permittee, a mixed beverage late hours
9 permittee, a mixed beverage permittee holding a food and beverage
10 certificate, ~~[or]~~ a caterer permittee, or a distiller's and
11 rectifier's permittee.

12 SECTION 6. Sections 14.01(c) and 14.04(g), Alcoholic
13 Beverage Code, are repealed.

14 SECTION 7. This Act takes effect September 1, 2013.