

2021 Regular Session

HOUSE BILL NO. 706 (Substitute for House Bill No. 343 by Representative Beaulieu)

BY REPRESENTATIVE BEAULLIEU

ALCOHOLIC BEVERAGES: Provides relative to microwineries

1 AN ACT

2 To amend and reenact R.S. 26:71(A)(3)(e) and 142, and to enact R.S. 26:2(32) and (33),  
3 71(A)(3)(f), and 71.4, relative to microdistillery permits; to provide for definitions;  
4 to establish criteria for microdistillery permitting; to provide for permit fees; to  
5 provide for the taxation of beverages produced by a microdistiller; to provide relative  
6 to Class A-Restaurant-Conditional permits; to provide relative to permit application  
7 requirements; to provide for the filing of monthly statements with the Department  
8 of Revenue; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 26:71(A)(3)(e) and 142 are hereby amended and reenacted and R.S.  
11 26:2(32) and (33), 71(A)(3)(f), and 71.4 are hereby enacted to read as follows:

12 §2. Definitions

13 For purposes of this Chapter, the following terms have the respective  
14 meanings ascribed to them in this Section, unless a different meaning clearly appears  
15 from the context:

16 \* \* \*

17 (32) "Microvintner" means any person who operates a microwinery.

18 (33) "Microwinery" means a retail outlet where a microvintner imports the  
19 juices of grapes, fruits, berries, honey, or vegetables for the purpose of fermenting  
20 such juices to produce and bottle wine in Louisiana in quantities of not more than  
21 twelve thousand gallons per year for retail sale only at that location where the wine

1 vinification takes place for consumption on or off the licensed premises in  
2 accordance with the provisions of this Chapter and regulations, if any, promulgated  
3 by the commissioner.

4 \* \* \*

5 §71. Permits required; fees; exception

6 A. Except as provided in Subsections B and C of this Section, before  
7 engaging in the business of manufacturing, supplying, or dealing in alcoholic  
8 beverages, all persons shall obtain from the commissioner, according to established  
9 rules and regulations, a permit to conduct each separate business and shall pay the  
10 commissioner a fee not to exceed the amounts provided for in the following schedule  
11 and in accordance with regulations promulgated pursuant to the provisions of the  
12 Administrative Procedure Act for each year the permit is valid:

13 \* \* \*

14 (3)

15 \* \* \*

16 (e) Microwinery, which authorizes the holder of a Retailers Class A permit  
17 to import the juices of grapes, fruits, berries, honey, or vegetables for the purpose of  
18 fermenting such juices to produce and bottle wine in Louisiana at a single location  
19 in an amount not to exceed twelve thousand gallons per year, and which further  
20 authorizes the sale at retail of such wine only at that location where the wine  
21 vinification takes place - one thousand dollars.

22 ~~(e)~~(f) A fee of one hundred dollars for each one hundred thousand dollars of  
23 gross retail liquor sales, after the first one hundred thousand dollars of gross retail  
24 liquor sales, shall be levied according to the schedule below which shall be in  
25 addition to those fees enumerated in Subparagraphs (a) and (b) of this Paragraph:

26 \* \* \*

27 §71.4. Microwinery; retail sales for consumption on or off premises

28 A. Any person who has properly obtained a microwinery permit as provided  
29 by R.S. 26:71 shall be authorized to import the juices of grapes, fruits, berries,

1 honey, or vegetables for the purpose of fermenting such juices to produce and bottle  
2 wine in Louisiana in a quantity not to exceed twelve thousand gallons per licensed  
3 year. The holder of such permit shall also be authorized to sell the wine at retail sale  
4 only at that location where the wine vinification takes place for consumption on or  
5 off the licensed premises if the holder also has been issued a Retailer Class A permit.

6 B. The provisions of this Section shall not authorize the holder of a  
7 microwinery permit to sell the wine at wholesale or to any wholesale dealer.

8 C. The microwinery shall not sell any wine for transportation off the  
9 premises to any other licensed alcoholic beverage retail dealer.

10 D. Wine produced by a microwinery shall be taxed in the same manner and  
11 at the same rate as beverages produced by other manufacturers, as provided by law.

12 \* \* \*

13 §142. Distribution through wholesalers only

14 A. Except as provided for in R.S. 26:71.3, ~~71.4~~, 85, 271.1, and 359, no  
15 alcoholic beverage produced or manufactured inside or outside of this state shall be  
16 sold or offered for sale in Louisiana or shipped or transported into or within the state  
17 except to the holder of a wholesaler's permit and for delivery at the place of business  
18 of the wholesaler as shown in his permit.

19 B. Any out-of-state wine producer who sells and ships directly to a wine  
20 producer in Louisiana pursuant to this Section shall file a statement monthly with the  
21 secretary of the Department of Revenue on forms prescribed by the secretary  
22 indicating the amount of product shipped to the state of Louisiana and remit all the  
23 applicable state and local sales and excise taxes.

24 Section 2. The Louisiana State Law Institute is hereby authorized and directed to  
25 arrange in alphabetical order and renumber the definitions provided in R.S. 26:2.

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**DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 706 Engrossed

2021 Regular Session

Beaulieu

**Abstract:** Allows microwineries to import products for vinification and allows microwineries to sell wine only at the location where the wine being sold is vinified.

Proposed law defines "microvinter" as any person who operates a microwinery.

Proposed law defines "microwinery" as a retail outlet where a microvintner imports the juices of grapes, fruits, berries, honey, or vegetables for the purpose of fermenting such juices to produce and bottle wine in Louisiana in quantities of not more than twelve thousand gallons per year for retail sale only at that location where the wine vinification takes place for consumption on or off the licensed premises.

Proposed law retains present law and additionally authorizes microwineries to import products for the purpose of making wine and authorizes the sale at retail of such wine only at that location where the wine vinification takes place.

Proposed law provides that the holder of a microwinery permit shall not sell the wine at wholesale or to any wholesale dealer.

Proposed law provides that the microwinery shall not sell any wine for transportation off the premises to any other licensed alcoholic beverage retail dealer.

Proposed law provides that wine produced by a microwinery shall be taxed in the same manner and at the same rate as beverages produced by other manufacturers.

Proposed law retains present law and adds proposed law (R.S. 26:71.4) as an exception to the prohibition of selling or shipping into or within the state certain alcoholic beverages produced or manufactured inside or outside of this state.

Proposed law requires out-of-state wine producers who sell and ship directly to a wine producer in La. to file a monthly statement with the Dept. of Revenue.

(Amends R.S. 26:71(A)(3)(e) and 142; Adds 26:2(32) and (33), 71(A)(3)(f), and 71.4)