

2021 Regular Session

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

BY REPRESENTATIVE BEAULLIEU

1 AN ACT

2 To amend and reenact R.S. 26:2(16), 71(A)(3)(e), 142, and 287(B) and to enact R.S.
3 26:2(32) and (33), 71(A)(3)(f), and 71.4, relative to microdistillery permits; to
4 provide for definitions; to establish criteria for microdistillery permitting; to provide
5 for permit fees; to provide for the taxation of beverages produced by a microdistiller;
6 to provide relative to Class A-Restaurant-Conditional permits; to provide relative to
7 permit application requirements; to provide for causes for suspension or revocation
8 of permits; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 26:2(16), 71(A)(3)(e), 142, and 287(B) are hereby amended and
11 reenacted and R.S. 26:2(32) and (33), 71(A)(3)(f), and 71.4 are hereby enacted to read as
12 follows:

13 §2. Definitions

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

17 * * *

18 (16)(a) "Manufacturer" means any person, other than a wine producer, who
19 personally or through any agent whatever engages in the making, blending,
20 rectifying, or processing of any alcoholic beverage in Louisiana; engages in the
21 making, blending, rectifying, or processing any alcoholic beverage outside Louisiana
22 for sale in Louisiana; or engages in the business of supplying alcoholic beverages to
23 licensed wholesale dealers in Louisiana. A manufacturer who engages in the making,

1 blending, rectifying, or processing of any alcoholic beverage in a facility entirely
 2 located in the state of Louisiana may sell or serve only those products that are made,
 3 blended, rectified, or processed at that facility to the public only at that facility for
 4 consumption on or off the premises but not for resale. The total amount of such sales
 5 to the public for any given month shall not exceed one case per person for each
 6 thirty-day period. Any manufacturer who sells its products to the public pursuant to
 7 this Paragraph shall remit all state and parish or municipal sales and excise taxes to
 8 the proper tax collecting authority for all products sold to the public. A manufacturer
 9 who sells or serves its products to the public pursuant to this Paragraph, shall comply
 10 with all local zoning laws and regulations.

11 (b) Notwithstanding Subparagraph (a) of this Paragraph and R.S. 26:359(B),
 12 wine producers shall be considered manufacturers for the purposes of R.S. 26:348
 13 and R.S. 26:354.

14 * * *

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

16 (33) "Microwinery" means a retail outlet where a microvintner imports the
 17 juices of grapes, fruits, berries, honey, or vegetables for the purpose of fermenting
 18 such juices to produce and bottle wine in Louisiana in quantities of not more than
 19 twelve thousand gallons per year for retail sale only at that location where the wine
 20 vinification takes place for consumption on or off the licensed premises in
 21 accordance with the provisions of this Chapter and regulations, if any, promulgated
 22 by the commissioner.

23 * * *

24 §71. Permits required; fees; exception

25 A. Except as provided in Subsections B and C of this Section, before
 26 engaging in the business of manufacturing, supplying, or dealing in alcoholic
 27 beverages, all persons shall obtain from the commissioner, according to established
 28 rules and regulations, a permit to conduct each separate business and shall pay the
 29 commissioner a fee not to exceed the amounts provided for in the following schedule

1 and in accordance with regulations promulgated pursuant to the provisions of the
2 Administrative Procedure Act for each year the permit is valid:

3 * * *

4 (3)

5 * * *

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

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

16 * * *

17 §71.4. Microwinery; retail sales for consumption on or off premises

18 A. Any person who has properly obtained a microwinery permit as provided
19 by R.S. 26:71 shall be authorized to import the juices of grapes, fruits, berries,
20 honey, or vegetables for the purpose of fermenting such juices to produce and bottle
21 wine in Louisiana in a quantity not to exceed twelve thousand gallons per licensed
22 year. The holder of such permit shall also be authorized to sell the wine at retail sale
23 only at that location where the wine vinification takes place for consumption on or
24 off the licensed premises if the holder also has been issued a Retailer Class A permit.

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

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

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

3 * * *

4 §142. Distribution through wholesalers only

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

10 * * *

11 §287. Additional causes for suspension or revocation of permits

12 * * *

13 B. In addition to any other causes enumerated in this Chapter, the
14 commissioner shall suspend or revoke any permit ~~if~~ of any ~~retail~~ dealer ~~that~~ fails to
15 pay any sales taxes, withholding taxes, Louisiana Stadium and Exposition District
16 hotel occupancy taxes, Ernest N. Morial New Orleans Exhibition Hall Authority
17 taxes, or taxes due to the state for the sale of beverages of high alcoholic content,
18 beverages of low alcoholic content, or tobacco.

19 * * *

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____