HOUSE BILL No. 1298

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3.

Synopsis: Sales and sampling at farmers' markets. Allows a county, city, or town to adopt an ordinance to allow the following at a farmers' market, subject to the consent of the operator of the farmers' market: (1) A small brewery, farm winery, or artisan distillery to serve complimentary samples of the alcoholic beverages (product) that they manufacture. (2) A small brewery or artisan distillery to sell their product in original containers. (Current law allows a farm winery to sell its wine by the bottle at a farmers' market.) Provides that the ordinance expires one year after it is adopted.

Effective: July 1, 2022.

Smaltz

January 11, 2022, read first time and referred to Committee on Public Policy.



Second Regular Session of the 122nd General Assembly (2022)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2021 Regular Session of the General Assembly.

HOUSE BILL No. 1298

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

1	CECTION 1 IC 51 2 2 5 IC INTERPRET DIVIDED DIVIDED AND 104 2021
1	SECTION 1. IC 7.1-3-2-7, AS AMENDED BY P.L.194-2021,
2	SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3	JULY 1, 2022]: Sec. 7. The holder of a brewer's permit or an
4	out-of-state brewer holding either a primary source of supply permit or
5	an out-of-state brewer's permit may do the following:
6	(1) Manufacture beer.
7	(2) Place beer in containers or bottles.
8	(3) Transport beer.
9	(4) Sell and deliver beer to a person holding a beer wholesaler's
0	permit issued under IC 7.1-3-3.
1	(5) If the brewer manufactures, at all of the brewer's breweries
2	located in Indiana, an aggregate of not more than ninety thousand
2	(90,000) barrels of beer in a calendar year for sale or distribution
4	within Indiana, the permit holder may do the following:
5	(A) Sell and deliver a total of not more than thirty thousand
6	(30,000) barrels of beer in a calendar year to a person holding
7	a retailer or a dealer permit under this title. The total number
	•



1	of barrels of beer that the permit holder may sell and deliver
2	under this clause in a calendar year may not exceed thirty
3	thousand (30,000) barrels of beer.
4	(B) Be the proprietor of a restaurant that is not subject to the
5	minimum gross food sales or the minimum projected food
6	sales set forth in 905 IAC 1-41-2.
7	(C) Hold a beer retailer's permit, a wine retailer's permit, or a
8	liquor retailer's permit for a restaurant established under clause
9	(B).
10	(D) Transfer beer directly from the brewery to the restaurant
11	by means of:
12	(i) bulk containers; or
13	(ii) a continuous flow system.
14	(E) Install a window between the brewery and an adjacent
15	restaurant that allows the public and the permittee to view both
16	premises.
17	(F) Install a doorway or other opening between the brewery
18	and an adjacent restaurant that provides the public and the
19	permittee with access to both premises.
20	(G) Sell the brewery's beer by the glass for consumption on the
21	premises. Brewers permitted to sell beer by the glass under
22	this clause must make food available for consumption on the
23	premises. A brewer may comply with the requirements of this
24	clause by doing any of the following:
25	(i) Allowing a vehicle of transportation that is a food
26	establishment (as defined in IC 16-18-2-137) to serve food
27	near the brewer's licensed premises.
28	(ii) Placing menus in the brewer's premises of restaurants
29	that will deliver food to the brewery.
30	(iii) Providing food prepared at the brewery.
31	(H) Sell and deliver beer to a consumer at the licensed
32	premises of the brewer or at the residence of the consumer.
33	Notwithstanding IC 7.1-1-3-20, the licensed premises may
34	include the brewery parking lot or an area adjacent to the
35	brewery that may only be used for the purpose of conveying
36	alcoholic beverages and other nonalcoholic items to a
37	customer subject to section 10 of this chapter, and may not be
38	used for point of sale purposes or any other purpose. The
39	delivery to a consumer may be made only in a quantity at any
40	one (1) time of not more than one-half (1/2) barrel, but the



42

containers.

2022

beer may be contained in bottles or other permissible

(I) Sell the brewery's beer as authorized by this section for carryout on Sunday in a quantity at any one (1) time of not more than five hundred seventy-six (576) ounces. A brewer's beer may be sold under this clause at any address for which the brewer holds a brewer's permit issued under this chapter if the address is located within the same city boundaries in which the beer was manufactured. (J) With the approval of the commission, participate: (i) individually; or (ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred: (i) between the brewery and the separate building; and
more than five hundred seventy-six (576) ounces. A brewer's beer may be sold under this clause at any address for which the brewer holds a brewer's permit issued under this chapter if the address is located within the same city boundaries in which the beer was manufactured. (J) With the approval of the commission, participate: (i) individually; or (ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
beer may be sold under this clause at any address for which the brewer holds a brewer's permit issued under this chapter if the address is located within the same city boundaries in which the beer was manufactured. (J) With the approval of the commission, participate: (i) individually; or (ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
brewer holds a brewer's permit issued under this chapter if the address is located within the same city boundaries in which the beer was manufactured. (J) With the approval of the commission, participate: (i) individually; or (ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
address is located within the same city boundaries in which the beer was manufactured. (J) With the approval of the commission, participate: (i) individually; or (ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
beer was manufactured. (J) With the approval of the commission, participate: (i) individually; or (ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K) and transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
(i) With the approval of the commission, participate: (i) individually; or (ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
(i) individually; or (ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
(ii) with other permit holders under this chapter, holders of artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
All of the permit holders may occupy the same tent, structure, or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
or building. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
participate in a trade show or exposition for more than forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
forty-five (45) days in a calendar year. (K) Store or condition beer in a secure building that is: (i) separate from the brewery; and (ii) owned or leased by the permit holder. (L) Transfer beer from a building described in clause (K) back to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
20 (K) Store or condition beer in a secure building that is: 21 (i) separate from the brewery; and 22 (ii) owned or leased by the permit holder. 23 (L) Transfer beer from a building described in clause (K) back 24 to the brewery. 25 (M) Sell or transfer beer directly to a beer wholesaler from a 26 building described in clause (K), but may not sell or transfer 27 beer from the building to any other permittee or a consumer. 28 The brewer shall maintain an adequate written record of the 29 beer transferred:
21 (i) separate from the brewery; and 22 (ii) owned or leased by the permit holder. 23 (L) Transfer beer from a building described in clause (K) back 24 to the brewery. 25 (M) Sell or transfer beer directly to a beer wholesaler from a 26 building described in clause (K), but may not sell or transfer 27 beer from the building to any other permittee or a consumer. 28 The brewer shall maintain an adequate written record of the 29 beer transferred:
22 (ii) owned or leased by the permit holder. 23 (L) Transfer beer from a building described in clause (K) back 24 to the brewery. 25 (M) Sell or transfer beer directly to a beer wholesaler from a 26 building described in clause (K), but may not sell or transfer 27 beer from the building to any other permittee or a consumer. 28 The brewer shall maintain an adequate written record of the 29 beer transferred:
23 (L) Transfer beer from a building described in clause (K) back 24 to the brewery. 25 (M) Sell or transfer beer directly to a beer wholesaler from a 26 building described in clause (K), but may not sell or transfer 27 beer from the building to any other permittee or a consumer. 28 The brewer shall maintain an adequate written record of the 29 beer transferred:
to the brewery. (M) Sell or transfer beer directly to a beer wholesaler from a building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
25 (M) Sell or transfer beer directly to a beer wholesaler from a 26 building described in clause (K), but may not sell or transfer 27 beer from the building to any other permittee or a consumer. 28 The brewer shall maintain an adequate written record of the 29 beer transferred:
building described in clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:
The brewer shall maintain an adequate written record of the beer transferred:
beer transferred:
UL DOLWOOL UNG DIGWOLV AND UNG NOBIAL DUNGHINS. AND
31 (ii) from the separate building to the wholesaler.
32 (N) Sell the brewery's beer to the holder of a supplemental
caterer's permit issued under IC 7.1-3-9.5 for on-premises
consumption only at an event that is held outdoors on property
that is contiguous to the brewery as approved by the
36 commission.
37 (O) Receive liquor from the holder of a distiller's permit issued
38 under IC 7.1-3-7 or the holder of an artisan distiller's permit
39 under IC 7.1-3-27 that is located in the same county as the
brewery for the purpose of carbonating and canning the liquor.
41 Upon the completion of canning of the liquor, the product



2022

must be returned to the original production facility within

1	forty-eight (48) hours. The activity under this clause is not an
2	interest under IC 7.1-5-9.
3	(P) Sell the brewery's beer to consumers in an original
4	container and serve complimentary samples of the
5	brewery's beer at a farmers' market that is operated on a
6	nonprofit basis, if authorized by:
7	(i) an ordinance adopted by the legislative body of the
8	unit in which the farmers' market is conducted as
9	provided in section 7.3 of this chapter; and
10	(ii) the operator of the farmers' market.
11	(6) If the brewer's brewery manufactures more than ninety
12	thousand (90,000) barrels of beer in a calendar year for sale or
13	distribution within Indiana, the permit holder may own a portion
14	of the corporate stock of another brewery that:
15	(A) is located in the same county as the brewer's brewery;
16	(B) manufactures less than ninety thousand (90,000) barrels of
17	beer in a calendar year; and
18	(C) is the proprietor of a restaurant that operates under
19	subdivision (5).
20	(7) Provide complimentary samples of beer that are:
21	(A) produced by the brewer; and
22	(B) offered to consumers for consumption on the brewer's
23	premises.
24	(8) Own a portion of the corporate stock of a sports corporation
25	that:
26	(A) manages a minor league baseball stadium located in the
27	same county as the brewer's brewery; and
28	(B) holds a beer retailer's permit, a wine retailer's permit, or a
29	liquor retailer's permit for a restaurant located in that stadium.
30	(9) For beer described in IC 7.1-1-2-3(a)(4):
31	(A) may allow transportation to and consumption of the beer
32	on the licensed premises; and
33	(B) may not sell, offer to sell, or allow sale of the beer on the
34	licensed premises.
35	SECTION 2. IC 7.1-3-2-7.3 IS ADDED TO THE INDIANA CODE
36	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
37	1, 2022]: Sec. 7.3. (a) The legislative body (as defined in
38	IC 36-1-2-9) of:
39	(1) a county, in the case of a farmers' market conducted in the
40	unincorporated area of a county; or
41	(2) a city or town in which a farmers' market is conducted;
42	may adopt an ordinance that allows breweries to sell and serve



1	samples of beer manufactured by the breweries at farmers'
2	markets operated on a nonprofit basis as provided in section
3	7(5)(P) of this chapter, subject to the consent of the operator of the
4	farmers' market.
5	(b) An ordinance adopted under this section is subject to the
6	following:
7	(1) The ordinance is effective on the date the legislative body
8	submits a copy of the ordinance to the commission.
9	(2) The ordinance expires one (1) year after the date the
10	ordinance is adopted.
11	(c) Nothing in this section may be interpreted to require an
12	operator of a farmers' market to allow breweries to sell and serve
13	samples of beer at the farmers' market if an ordinance is adopted
14	under this section.
15	(d) A sample size of beer may not exceed two (2) ounces. A
16	permittee may allow a customer to sample not more than three (3)
17	samples per day.
18	SECTION 3. IC 7.1-3-12-5, AS AMENDED BY P.L.194-2021,
19	SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20	JULY 1, 2022]: Sec. 5. (a) The following apply to the holder of a farm
21	winery permit:
22	(1) A holder is entitled to manufacture wine and to place wine
23	produced by the permit holder's farm winery in bottles or other
24	permissible containers.
25	(2) A holder is entitled to serve complimentary samples of the
26	winery's wine on the licensed premises or an outside area that is
27	contiguous to the licensed premises, as approved by the
28	commission if each employee who serves wine on the licensed
29	premises:
30	(A) holds an employee's permit under IC 7.1-3-18-9; and
31	(B) completes a server training program approved by the
32	commission.
33	(3) A holder is entitled to sell the winery's wine on the licensed
34	premises to consumers either by:
35	(A) the glass;
36	(B) the bottle;
37	(C) a box that contains a bag designed for storing and
38	dispensing wine;
39	(D) any combination of receptacles listed in clauses (A)
40	through (C); or
41	(E) any other container permissible under federal law.
42	Notwithstanding IC 7.1-1-3-20, the licensed premises may



1	include the farm winery parking lot or an area adjacent to the farm
2	winery. The parking lot or an adjacent area may only be used for
3	the purpose of conveying alcoholic beverages and other
4	nonalcoholic items to a customer subject to section 5.5 of this
5	chapter, and may not be used for point of sale purposes or any
6	other purpose.
7	(4) A holder is entitled to:
8	(A) sell the winery's wine to consumers by the bottle at a
9	farmers' market that is operated on a nonprofit basis; and
0	(B) serve complimentary samples of the winery's wine at a
1	farmers' market that is operated on a nonprofit basis, it
2	authorized by:
3	(i) an ordinance adopted by the legislative body of the
4	unit in which the farmers' market is conducted as
5	provided in section 5.3 of this chapter; and
6	(ii) the operator of the farmers' market.
7	(5) A holder is entitled to sell wine by:
8	(A) the bottle;
9	(B) the can;
20	(C) a box that contains a bag designed for storing and
21	dispensing wine;
22 23 24 25 26	(D) bulk container;
23	(E) the case; or
24	(F) any combination of receptacles listed in clauses (A)
25	through (E);
	to a person who is the holder of a permit to sell wine at wholesale.
27	(6) A holder is exempt from the provisions of IC 7.1-3-14.
28	(7) A holder is entitled to advertise the name and address of any
.9	retailer or dealer who sells wine produced by the permit holder's
0	winery.
1	(8) A holder for wine described in IC 7.1-1-2-3(a)(4):
2	(A) may allow transportation to and consumption of the wine
3	on the licensed premises; and
4	(B) may not sell, offer to sell, or allow the sale of the wine on
5	the licensed premises.
6	(9) A holder is entitled to purchase and sell bulk wine as set forth
7	in this chapter.
8	(10) A holder is entitled to sell wine as authorized by this section
9	for carryout on Sunday.
0	(11) A holder is entitled to sell and ship the farm winery's wine to
1	a person located in another state in accordance with the laws of
-2	the other state.



1	(12) A holder is entitled to sell the farm winery's wine to the
2	holder of a supplemental caterer's permit issued under
3	IC 7.1-3-9.5 for on-premises consumption only at an event that is
4	held outdoors on property that is contiguous to the farm winery as
5	approved by the commission.
6	(13) A holder is entitled to be the proprietor of a restaurant that is
7	not subject to the minimum gross food sales or the minimum
8	projected food sales set forth in 905 IAC 1-41-2 and the gross
9	retail income requirements to sell carryout under IC 7.1-3-20-9.5.
10	A holder is entitled to conduct the following activities:
11	(A) Hold a beer retailer's permit, a wine retailer's permit, or a
12	liquor retailer's permit for a restaurant.
13	(B) Transfer wine directly from the farm winery to a restaurant
14	that the farm winery has an interest in by means of:
15	(i) bottles or cans;
16	(ii) bulk containers; or
17	(iii) a continuous flow system.
18	(C) Install a window between the farm winery and an adjacent
19	restaurant that allows the public and the holder of the permit
20	to view both premises.
21	(D) Install a doorway or other opening between the farm
22	winery and an adjacent restaurant that provides the public and
23	the holder of the permit with access to both the farm winery
24	and restaurant.
25	(14) A holder that does not distribute through an Indiana wine
26	wholesaler is entitled under the farm winery permit to sell and
27	deliver to a person holding a wine retailer or wine dealer permit
28	under this title a total of not more than three thousand (3,000)
29	gallons of the farm winery's wine in a calendar year, if the farm
30	winery has not sold in Indiana more than fifteen thousand
31	(15,000) gallons the previous calendar year. A holder that sells
32	and delivers under this subdivision shall comply with all
33	provisions applicable to a wholesaler in 905 IAC 1-5.1, 905
34	IAC 1-5.2, 905 IAC 1-21, 905 IAC 1-31, and 905 IAC 1-32.1.
35	(15) A holder must annually submit to the commission copies of
36	its Indiana and federal excise tax returns.
37	(b) With the approval of the commission, a holder of a permit under
38	this chapter may conduct business at not more than three (3) additional
39	locations that are separate from the winery. At the additional locations,
40	the holder of a permit may conduct any business that is authorized at
41	the first location, except for manufacturing wine or placing wine in



bottles or containers.

	8
1	(c) A farm winery may transfer wine from a storage facility or an
2	additional location described in subsection (b). A farm winery may sell
3	or transfer wine directly to a wine wholesaler from a storage facility
4	separate from the farm winery or an additional location described in
5	subsection (b). A farm winery may not sell or transfer wine from a
6	storage facility to any other permittee or a consumer. The farm winery
7	shall maintain an adequate written record of wine transferred:
8	(1) between the farm winery and the storage facility; and
9	(2) from the storage facility to the wholesaler.
10	(d) With the approval of the commission, a holder of a permit under
11	this chapter may:
12	(1) individually; or
13	(2) with other permit holders under this chapter, holders of artisan
14	distiller's permits, holders of brewer's permits issued under
15	IC 7.1-3-2-2(b), or any combination of holders described in this

participate in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. All of the permit holders may occupy the same tent, structure, or building. The commission may not grant approval under this subsection to a holder of a permit under this chapter for more than forty-five (45) days in a calendar year.

SECTION 4. IC 7.1-3-12-5.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 5.3. (a) The legislative body (as defined in IC 36-1-2-9) of:

- (1) a county, in the case of a farmers' market conducted in the unincorporated area of a county; or
- (2) a city or town in which a farmers' market is conducted; may adopt an ordinance allowing farm wineries to sell and serve complimentary samples of wine manufactured by the farm winery at a farmers' market operated on a nonprofit basis as provided in section 5(a)(4) of this chapter, subject to the consent of the operator of the farmers' market.
- (b) An ordinance adopted under this section is subject to the following:
 - (1) The ordinance is effective on the date the legislative body submits a copy of the ordinance to the commission.
 - (2) The ordinance expires one (1) year after the date the ordinance is adopted.
- (c) Nothing in this section may be interpreted to require an operator of a farmers' market to allow farm wineries to sell and



16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

subdivision;

1	serve samples of wine at the farmers' market if an ordinance is
2	adopted under this section.
3	(d) A sample size of wine may not exceed one (1) ounce. A
4	permittee may allow a customer to sample not more than three (3)
5	samples per day.
6	SECTION 5. IC 7.1-3-27-8, AS AMENDED BY P.L.194-2021,
7	SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8	JULY 1, 2022]: Sec. 8. (a) The holder of an artisan distiller's permit
9	may do only the following:
10	(1) Manufacture liquor, including blending liquor purchased from
11	another manufacturer with liquor the artisan distiller
12	manufactures under section 11 of this chapter.
13	(2) Bottle liquor manufactured by the artisan distiller.
14	(3) Insert liquor manufactured by the artisan distiller into a
15	container.
16	(4) Store liquor manufactured by the artisan distiller, including at
17	a facility located within ten (10) miles of the artisan distiller's
18	distillery.
19	(5) Transport, sell, and deliver liquor manufactured by the artisan
20	distiller to:
21	(A) places outside Indiana; or
22	(B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.
23	(6) Sell liquor manufactured by the artisan distiller to consumers
24	by the drink, bottle, container, or case from the licensed premises
25	of the distillery where the liquor was manufactured.
26	Notwithstanding IC 7.1-1-3-20, the licensed premises may
27	include the distillery parking lot or an area adjacent to the artisan
28	distillery. The parking lot or adjacent area may only be used for
29	the purpose of conveying alcoholic beverages and other
30	nonalcoholic items to a customer subject to section 8.1 of this
31	chapter and may not be used for point of sale purposes or any
32	other purpose.
33	(7) Serve complimentary samples of the liquor manufactured by
34	the artisan distiller to consumers on the premises of the distillery
35	where the liquor was manufactured.
36	(8) Sell liquor as authorized by this section for carryout on
37	Sunday in a quantity at any one (1) time of not more than four and
38	five-tenths (4.5) liters.
39	(9) With the approval of the commission, participate:
40	(A) individually; or
41	(B) with other permit holders under this chapter, holders of
42	farm winery permits, holders of brewer's permits issued under



IC 7.1-3-2-2(b), or any combination of holders described in
this clause;
in a trade show or an exposition at which products of each permit
holder participant are displayed, promoted, and sold. All of the
permit holders may occupy the same tent, structure, or building.
The commission may not grant to a holder of a permit under this
chapter approval under this subdivision to participate in a trade
show or exposition for more than forty-five (45) days in a
calendar year.
(10) Sell liquor manufactured by the artisan distiller in an
original container and serve complimentary samples of liquor
manufactured by the artisan distiller at a farmers' market
that is operated on a nonprofit basis, if authorized by:
(A) an ordinance adopted by the legislative body of the unit
in which the farmers' market is conducted as provided in
section 8.3 of this chapter; and
(B) the operator of the farmers' market.
(10) (11) Be the proprietor of a restaurant that is not subject to the
minimum gross food sales or the minimum projected food sales
set forth in 905 IAC 1-41-2 and the gross retail income
requirements to sell carryout under IC 7.1-3-20-9.5. A holder is
entitled to conduct the following activities:
(A) Hold a beer retailer's permit, a wine retailer's permit, or a
liquor retailer's permit for a restaurant.
(B) Transfer liquor directly from the artisan distillery to a
restaurant that the artisan distiller has an interest in by means
of:
(i) bottles;
(ii) bulk containers; or
(iii) a continuous flow system.
(C) Install a window between the artisan distillery and an
adjacent restaurant that allows the public and the holder of the
permit to view both premises.
(D) Install a doorway or other opening between the artisan
distillery and an adjacent restaurant that provides the public
and the holder of the permit with access to both the artisan
distillery and restaurant.
(11) (12) A holder that does not distribute through an Indiana
liquor wholesaler is entitled under the artisan distiller's permit to
sell and deliver to a person holding a liquor retailer or liquor
dealer permit under this title a total of not more than one thousand

(1,000) gallons of the artisan distillery's liquor in a calendar year,



42

1	if the artisan distiller has not sold in Indiana more than nine
2	thousand (9,000) gallons the previous calendar year. A holder that
3	sells and delivers under this subdivision shall comply with all
4	provisions applicable to a wholesaler in 905 IAC 1-5.1, 905
5	IAC 1-5.2, 905 IAC 1-21, 905 IAC 1-31, and 905 IAC 1-32.1.
6	(12) (13) A holder must annually submit to the commission
7	copies of its Indiana and federal excise tax returns.
8	(b) The holder of an artisan distiller's permit who provides samples
9	or sells liquor by the glass must furnish the minimum food
10	requirements prescribed by the commission.
11	(c) A storage facility used by an artisan distiller under subsection
12	(a)(4) must conform with federal laws, rules, and regulations. An
13	artisan distiller may transfer liquor from a separate storage facility back
14	to the artisan distillery. An artisan distiller may sell or transfer liquor
15	directly to a liquor wholesaler from a storage facility that is separate
16	from the artisan distillery. An artisan distiller may not sell or transfer
17	liquor from a storage facility to any other permittee or a consumer. The
18	artisan distiller shall maintain an adequate written record of the liquor
19	transferred:
20	(1) between the artisan distillery and the storage facility; and
21	(2) from the storage facility to the liquor wholesaler.
22	(d) The holder of an artisan distiller's permit may transport liquor to
23	and from a brewery located within the same county for the purposes of
24	carbonating and canning by the brewery. The activity under this
25	subsection is not an interest under IC 7.1-5-9.
26	(e) An artisan distiller who knowingly or intentionally violates this
27	section commits a Class B misdemeanor.
28	SECTION 6. IC 7.1-3-27-8.3 IS ADDED TO THE INDIANA
29	CODE AS A NEW SECTION TO READ AS FOLLOWS
30	[EFFECTIVE JULY 1, 2022]: Sec. 8.3. (a) The legislative body (as
31	defined in IC 36-1-2-9) of:
32	(1) a county, in the case of a farmers' market conducted in the
33	unincorporated area of a county; or
34	(2) a city or town in which a farmers' market is conducted;
35	may adopt an ordinance that allows artisan distillers to sell and
36	serve complimentary samples of liquor manufactured by the
37	artisan distilleries at a farmers' market operated on a nonprofit
38	basis as provided in section 8(a)(10) of this chapter, subject to the
39	consent of the operator of the farmers' market.
40	(b) An ordinance adopted under this section is subject to the
41	following:
42	(1) The ordinance is effective on the date the legislative body



1	submits a copy of the ordinance to the commission.
2	(2) The ordinance expires one (1) year after the date the
3	ordinance is adopted.
4	(c) Nothing in this section may be interpreted to require an
5	operator of a farmers' market to allow artisan distilleries to sell
6	and serve samples of liquor at the farmers' market if an ordinance
7	is adopted under this section.
8	(d) A sample size of liquor may not exceed four-tenths (0.4)
9	ounce. A permittee may allow a customer to sample not more than
10	two (2) liquor samples per day.

