HOUSE BILL 2249

By Faison

AN ACT to amend Tennessee Code Annotated, Title 57, Chapter 2 and Title 57, Chapter 3, relative to distilleries.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 57, Chapter 2, is amended by adding the following as a new section:

- (a) A distillery licensed under § 57-3-202 that has a total annual production of fifty thousand gallons (50,000 gals.) or less of intoxicating liquors shall be authorized to obtain an additional self-distribution permit from the commission subject to the obligations imposed in this section.
- (b) The commission shall not issue any self-distribution permit to a distillery that has a registered distribution contract with a wholesaler licensed pursuant to § 57-3-203. If a distillery holding a self-distribution permit enters into a distribution contract with a wholesaler or has total output in a calendar year which exceeds fifty thousand gallons (50,000 gals.), then such distillery shall promptly surrender its self-distribution permit to the commission.
- (c) A distillery obtaining a self-distribution permit under this section may distribute not more than three thousand (3,000) cases of intoxicating liquors in any calendar year manufactured, produced, or bottled on the distillery's premises to any licensee holding a license issued pursuant to title 57, chapter 4, part 1, located within one hundred (100) miles of the distillery's premises where such intoxicating liquors have been manufactured, produced, or bottled.

- (d) A distillery engaged in self-distribution under this section shall be responsible for all taxes and records which are imposed upon a wholesaler under § 57-3-203 which result from any direct sales under this section.
- (e) The commission shall impose no additional fee or charge for the issuance of a self-distribution permit under this section.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring

it.