

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

HOUSE BILL 1618

By: Bennett

AS INTRODUCED

An Act relating to alcoholic beverages; creating craft distiller licenses; providing for authority pursuant to the licenses; defining terms; establishing annual licenses fees; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-103.1 of Title 37A, unless there is created a duplication in numbering, reads as follows:

A. A craft distiller license shall authorize the holder thereof to:

1. Manufacture, bottle, package and store spirits produced by the licensee on licensed premises;

2. Sell spirits in this state to licensed wholesalers and to sell spirits outside this state to qualified persons;

3. Serve free samples of spirits produced only by the licensee to visitors twenty-one (21) years of age and older. For purposes of this paragraph, no visitor may sample more than a total of three (3)

1 fluid ounces of spirits per day. The distiller shall restrict the
2 distribution and consumption of samples of spirits to an area within
3 the licensed premises designated by the distiller. A current floor
4 plan that includes the designated sampling area shall be on file
5 with the ABLE Commission. No visitor under twenty-one (21) years of
6 age shall be permitted to enter the designated sampling area when
7 samples are being distributed and consumed. Samples of spirits
8 served by a distiller under this paragraph shall not be considered a
9 sale of spirits within the meaning of Article XXVIII-A of the
10 Oklahoma Constitution or Section 1-103 of Title 37A of the Oklahoma
11 Statutes; provided such samples of spirits shall be considered
12 removed or withdrawn from the distillery for use or consumption
13 within the meaning of Section 5-110 of Title 37A of the Oklahoma
14 Statutes for excise tax determination and reporting requirements.
15 Sampling may only occur between the hours of 10:00 a.m. and
16 2:00a.m.;

17 4. Sell spirits produced by the licensee for either on-premises
18 or off-premises consumption to consumers on the distillery premises,
19 or on an area controlled by the licensee located contiguous to the
20 licensed premises. Such sales will incur a fee paid to a
21 wholesaler, negotiated between the licensee and wholesaler, and be
22 considered a sale through the wholesaler; and

23 5. Sell spirits at public events such as trade shows or
24 festivals. Such sales will incur a fee paid to a wholesaler,

1 negotiated between the licensee and wholesaler, and be considered a
2 sale through the wholesaler.

3 Spirits sold under paragraphs 4 and 5 of this subsection are not
4 to exceed fifteen thousand (15,000) gallons per calendar year in
5 combination.

6 B. As used in this act, "craft distiller" means a distillery
7 that does not annually produce for sale more than one hundred
8 thousand (100,000) proof gallons of spirits as reported to the
9 United States Department of the Treasury Alcohol and Tobacco Tax and
10 Trade Bureau. This is the same definition adopted by the Tax and
11 Trade Bureau.

12 SECTION 2. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 2-103.2 of Title 37A, unless
14 there is created a duplication in numbering, reads as follows:

15 The annual license fees for a craft distiller license issued
16 pursuant to Section 1 of this act shall be One Hundred Twenty-five
17 Dollars (\$125.00).

18 SECTION 3. This act shall become effective November 1, 2021.
19

20 58-1-6196 JL 12/22/20
21
22
23
24