

**H. B. 2958**

(By Delegates Skinner, Upson, Westfall, Ashley, Ihle)

[Introduced February 24, 2015; referred to the

Committee on the Judiciary then Finance.]

A BILL to amend and reenact §60-4-3a of the Code of West Virginia, 1931, as amended, relating to removing the requirement that distillery or mini-distilleries submit to the commissioner ten percent of the gross sales price or each retail liquor sale for the value of all sales at the distillery or the mini-distillery each month for distribution to market zone retailers.

*Be it enacted by the Legislature of West Virginia:*

That §60-4-3a of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

**ARTICLE 4. LICENSES.**

**§60-4-3a. Distillery and mini-distillery license to manufacture and sell.**

(a) *Sales of liquor.* -- An operator of a distillery or a mini-distillery may offer liquor for retail sale to customers from the distillery or the mini-distillery for consumption off premises only. Except for free complimentary samples offered pursuant to section one, article six of this chapter, customers are prohibited from consuming any liquor on the premises of the distillery or the mini-distillery.

1           (b) *Retail sales.* -- Every licensed distillery or mini-distillery shall comply with the provisions  
2 of sections nine, eleven, thirteen, sixteen, seventeen, eighteen, nineteen, twenty-two, twenty-three,  
3 twenty-four, twenty-five and twenty-six, article three-a of this chapter and the provisions of articles  
4 three and four of this chapter applicable to liquor retailers and distillers.

5           (c) *Payment of taxes and fees.* -- The distillery or mini-distillery shall pay all taxes and fees  
6 required of licensed retailers and meet applicable licensing provisions as required by this chapter and  
7 by rule of the commissioner.

8           ~~(d) *Payments to market zone retailers.* -- Each distillery or mini-distillery shall submit to the~~  
9 ~~commissioner ten percent of the gross sales price or each retail liquor sale for the value of all sales~~  
10 ~~at the distillery or the mini-distillery each month. This collection shall be distributed by the~~  
11 ~~commissioner, at least quarterly, to each market zone retailer located in the distillery or mini-~~  
12 ~~distillery's market zone, proportionate to each market zone retailer's annual gross prior years pretax~~  
13 ~~value sales.~~

14           (↔) (d) *Limitations on licensees.* -- No distillery or mini-distillery may sell more than three  
15 thousand gallons of product at the distillery or mini-distillery location the initial two years of  
16 licensure. The distillery or mini-distillery may increase sales at the distillery or mini-distillery  
17 location by two thousand gallons following the initial 24-month period of licensure and may increase  
18 sales at the distillery or mini-distillery location each subsequent 24-month period by two thousand  
19 gallons, not to exceed ten thousand gallons a year of total sales at the distillery or mini-distillery  
20 location. No licensed mini-distillery may produce more than twenty thousand gallons per calendar  
21 year at the mini-distillery location. No more than one distillery or mini-distillery license may be  
22 issued to a single person or entity and no person may hold both a distillery and a mini-distillery

1 license.

NOTE: The purpose of this bill is to remove the requirement that distillery or mini-distilleries submit to the commissioner ten percent of the gross sales price or each retail liquor sale for the value of all sales at the distillery or the mini-distillery each month for distribution to market zone retailers.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.