

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

House Bill 2188

By Delegates Akers, Hillenbrand, D. Smith, Riley, and

Hott

[Introduced February 12, 2025; referred to the
Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §60-1-8, relating to modifying how distilleries, mini-distilleries, and micro-
3 distilleries remit tax payments to the West Virginia Alcohol Beverage Control
4 Administration ("ABCA"); providing for legislative findings; modifying the current bailment
5 process for tax payments owed; and providing for an effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. GENERAL PROVISIONS.

**§60-1-8. Remittance of tax payments to the West Virginia Alcohol Beverage Control
Administration by distilleries, mini-distilleries, and micro-distilleries.**

1 (a) Legislative findings. – The Legislature finds that the current practice of the West
2 Virginia Alcohol Beverage Control Administration ("ABCA") to hold all gross revenues from in-
3 state distillers is complicated, and often hinders the opportunity of growth and expansion for in-
4 state distillers. The current procedure is for the ABCA to hold all gross revenue from in-state
5 distillers until the total amount of the tax liability owed is quantified. Then, in-state distillers must
6 obtain approval from the West Virginia Auditor's office, after which the distillers' non-tax revenue is
7 provided back to them. The current constructive bailment process is complicated, often amounting
8 to in-state distillers not realizing their true revenue amounts for extended periods of time.
9 Additionally, in-state distillers should be treated as other businesses operating in this state, with
10 the ability to simply pay tax liabilities owed to the West Virginia Tax Division out of their gross
11 revenue.

12 (b) Enactment. –

13 (1) Distilleries, mini-distilleries, and micro-distilleries shall remit their tax liabilities in
14 accordance with the existing policies and procedures set forth by the West Virginia Tax Division,
15 and in accordance with all applicable sections of existing code.

16 (2) All applicable market zone fee payment and taxes, licensing fees, and other fees owed
17 pursuant to this chapter shall continue to be paid to the Tax Commissioner by in-state distillers.

18 (c) *Effective date.* – This section shall become effective from passage.

NOTE: The purpose of this bill is to modify how distilleries, mini-distilleries, and micro-distilleries remit tax payments to the West Virginia Alcohol Beverage Control Administration ("ABCA"). The bill provides for legislative findings. The bill modifies the current bailment process for tax payments owed. Finally, the bill provides for an effective date.

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