

CHAPTER 2021-166

Committee Substitute for Committee Substitute for Senate Bill No. 46

An act relating to craft distilleries; amending s. 565.02, F.S.; defining the term “destination entertainment venue”; authorizing craft distilleries to be licensed as specified vendors under certain circumstances; providing requirements for such licenses; providing requirements for craft distilleries for such licenses; prohibiting a licensee from taking certain actions; requiring certain alcoholic beverages to be obtained through a licensed distributor; amending s. 565.03, F.S.; redefining the terms “branded product” and “craft distillery”; prohibiting a distillery from operating as a craft distillery until certain requirements are met; authorizing persons to have common ownership in craft distilleries under certain circumstances; defining the term “common ownership”; requiring a minimum percentage of a craft distillery’s total finished branded products to be distilled in this state and contain one or more Florida agricultural products after a specified date; revising the requirements and prohibitions on the sale of branded products to consumers by a licensed craft distillery; revising the circumstances for which a craft distillery must report certain information about the production of distilled spirits to the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation; revising prohibitions on the shipment of certain products by a craft distillery; revising prohibitions on the transfer of a craft distillery license or ownership interest in such license; revising prohibitions relating to affiliated ownership of craft distilleries; authorizing a craft distillery to transfer specified distilled spirits from certain locations to its souvenir gift shop and tasting room; making technical changes; requiring the keeping of records for alcoholic beverages received from specified persons; amending s. 565.17, F.S.; authorizing craft distilleries to conduct spirituous beverage tastings under certain circumstances; requiring the division to issue permits to craft distilleries to conduct tastings and sales at certain locations; specifying requirements for distilleries for such permits; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Present subsection (12) of section 565.02, Florida Statutes, is redesignated as subsection (13), and a new subsection (12) is added to that section, to read:

565.02 License fees; vendors; clubs; caterers; and others.—

(12)(a) As used in this subsection, the term “destination entertainment venue” means a venue that:

1. Is located in a designated community redevelopment area authorized under an adopted community redevelopment plan to support urban redevelopment and economic development;

2. Is owned by any person licensed as a craft distillery located within the destination entertainment venue;

3. Is adjacent to and served by multimodal transportation options, including, at a minimum, bicycle and pedestrian trails included on an adopted city or county trails map and mass transit routes established by a city, county, or regional transportation authority; and

4. Is located within a contiguous area of at least 15 acres, including associated parking and stormwater requirements as required by local law, regulation, or ordinance, and that contains:

a. At least one indoor event venue with a minimum capacity of 150 people which is fully serviced by a connected onsite kitchen;

b. At least one outdoor event venue with a minimum capacity of 1,000 people which has regularly occurring live entertainment on a stage that is at least 12 feet deep and 16 feet wide; and

c. One or more licensed craft distilleries sharing identical ownership.

(b) Notwithstanding any other provisions of the Beverage Law, upon the payment of the appropriate fees, a craft distillery licensed in this state may be licensed as a vendor only for consumption on the premises of alcoholic beverages manufactured by other manufacturers and acquired through a distributor. The issuance of a license under this paragraph is not subject to any quota or limitation, except that the craft distillery must be:

1. Located on property within a destination entertainment venue; and

2. In operation and open for tours during normal business hours at least 5 days a week.

(c) The vendor license may be issued only for the premises included on the licensed premises sketch on file with the division under s. 565.03 for the craft distillery, including its souvenir gift shop or tasting room.

(d) No more than three craft distilleries may be licensed as a vendor in a community redevelopment area under this subsection. Craft distilleries licensed as a vendor under this subsection must be located within the same destination entertainment venue and must share identical ownership, and each craft distillery must distill, blend, or rectify at least 50,000 gallons of branded products per calendar year.

(e) Except as otherwise provided in this paragraph, a craft distillery licensed as a vendor under this subsection shall be treated as a vendor and is subject to all provisions relating to such vendors licensed to sell alcoholic

beverages for consumption on premises. A craft distillery licensed as a vendor may not make package sales for off-premises consumption or make any delivery or shipment of alcoholic beverages away from the destination entertainment venue or the craft distillery, unless such shipment or delivery is authorized for a craft distillery under s. 565.03.

(f) Alcoholic beverages manufactured by another licensed manufacturer, including branded products manufactured at another craft distillery location sharing identical ownership, must be obtained through a licensed distributor.

Section 2. Present subsections (6) and (7) of section 565.03, Florida Statutes, are redesignated as subsections (7) and (8), respectively, a new subsection (6) is added to that section, and paragraphs (a) and (b) of subsection (1) and subsections (2) and (5) of that section are amended, to read:

565.03 License fees; manufacturers, distributors, brokers, sales agents, and importers of alcoholic beverages; vendor licenses and fees; distilleries and craft distilleries.—

(1) As used in this section, the term:

(a) “Branded product” means any distilled spirits product that:

1. Is owned by a craft distillery;

2. Contains distilled spirits that are manufactured by distilling, rectifying, or blending by the craft distillery on its licensed premises; and

3. Has manufactured on-site, which requires a federal certificate and label approval by the Federal Government Alcohol Administration Act or federal regulations.

(b) “Craft distillery” means a licensed distillery in this state which distills, rectifies, or blends 250,000 that produces 75,000 or fewer gallons or less of distilled spirits per calendar year of distilled spirits on its premises and has notified the division in writing of its decision to qualify as a craft distillery.

(2)(a) A distillery may not operate as a craft distillery until the distillery has provided to the division written notification that it meets the criteria specified in paragraph (1)(b). Upon the division’s receipt of the notification and its verification that the distillery meets all such criteria, the division shall add the designation of craft distiller on the distillery’s license.

(b) A person may not share common ownership in more than 10 craft distilleries, provided that no more than:

1. Four of the distilleries each distill, rectify, or blend 250,000 gallons or less of distilled spirits per calendar year; and

2. Six of the distilleries each distill, rectify, or blend 50,000 gallons or less of distilled spirits per calendar year.

As used in this paragraph, the term “common ownership” means having a direct or indirect financial interest in two or more distilleries by the same person.

(c) Effective July 1, 2026, a minimum of 60 percent of a craft distillery’s total finished branded products must be distilled in this state and contain one or more Florida agricultural products.

(d) A distillery or a craft distillery authorized to do business under the Beverage Law shall pay an annual state license tax for each plant or branch operating in the state, as follows:

1. A distillery engaged in the business of manufacturing distilled spirits: \$4,000.

2. A craft distillery engaged in the business of manufacturing distilled spirits: \$1,000.

3. A person engaged in the business of rectifying and blending spirituous liquors and nothing else: \$4,000.

(e)(b) A licensed distillery or licensed craft distillery may Persons licensed under this section who are in the business of distilling spirituous liquors may also engage in the business of rectifying or and blending spirituous liquors without the payment of an additional license tax.

(f)(e) A craft distillery licensed under this section may sell directly to consumers up to 75,000 gallons per calendar year of, at its souvenir gift shop, branded products that are manufactured by the craft distillery distilled on its premises. A craft distillery may sell branded products directly to consumers by the drink for consumption on the premises or by the package in factory-sealed containers for consumption off the premises in this state in factory-sealed containers that are filled at the distillery for off-premises consumption. Such sales are authorized only in the craft distillery’s souvenir gift shop or tasting room located on private property contiguous to the licensed distillery premises. Branded products sold to consumers must have been distilled, rectified, or blended on the distillery premises that is located contiguous to the craft distillery’s souvenir gift shop or tasting room. The souvenir gift shop or tasting room must be in this state and included on the sketch or diagram defining the licensed premises submitted with the distillery’s license application. All sketch or diagram revisions by the distillery shall require the division’s approval verifying that the locations of the souvenir gift shops and tasting rooms shop location operated by the licensed distillery are is owned or leased by the distillery and on property contiguous to the distillery’s production building in this state.

1. Except as authorized under s. 565.17(2), a craft distillery may not sell any factory-sealed individual containers of spirits to consumers except in

face-to-face sales transactions with such consumers at the craft distillery's licensed premises. Such branded products must be in compliance with the container limits under s. 565.10 and be intended for personal consumption rather than for resale who are making a purchase of no more than six individual containers of each branded product.

2. Each container sold in face-to-face transactions with consumers must comply with the container limits in s. 565.10, per calendar year for the consumer's personal use and not for resale and who are present at the distillery's licensed premises in this state.

3. A craft distillery must report to the division within 5 days after it exceeds reaches the production limits or is no longer operating under the requirements or limitations provided in paragraph (1)(b). Any retail sales of branded products by the drink or by the package to consumers at the craft distillery's licensed premises are prohibited beginning the day after it exceeds reaches the production limitation.

3.4. A craft distillery may not ship or arrange to ship any of its branded products or any other alcoholic beverages distilled spirits to consumers and may sell and deliver only to consumers within the state in a face-to-face transaction at the distillery property. However, a craft distillery distiller licensed under this section may ship, arrange to ship, or deliver such spirits to any manufacturers of distilled spirits, wholesale distributors of distilled spirits, state or federal bonded warehouses, or and exporters.

4.5. Except as provided in subparagraph 5. subparagraph 6., it is unlawful to transfer a craft distillery license for a distillery that produces 75,000 or fewer gallons per calendar year of distilled spirits on its premises or any ownership interest in such license to an individual or entity that has a direct or indirect ownership interest in any distillery that distills, rectifies, or blends 250,000 gallons or more per calendar year of distilled spirits under any license issued licensed in this state; in another state, territory, or country; or by the United States Government to distill manufacture, blend, or rectify distilled spirits for beverage purposes.

5.6. Except as provided in paragraph (b), a craft distillery may shall not have its ownership affiliated with another distillery, unless such distillery is owned by an individual or entity that distills, rectifies, or blends 250,000 gallons or less per calendar year of distilled spirits produces 75,000 or fewer gallons per calendar year of distilled spirits on each of its premises in this state or in another state, territory, or country.

6. A craft distillery may transfer up to 75,000 gallons per calendar year of its branded products that it distills, rectifies, or blends from its federal bonded space, nonbonded space at its licensed premises, or storage areas to its souvenir gift shop and tasting room.

(5) A craft distillery making sales under paragraph (2)(f) paragraph (2)(e) is responsible for submitting any excise taxes due to the state on

~~distilled spirits on beverages under the Beverage Law with in its monthly report to the division with any tax payments due to the state.~~

(6) A craft distillery shall keep complete and accurate records of all alcoholic beverages received from any point within or outside the state from another manufacturer, or from a broker or sales agent or importer, including any delivery invoice or other record of the common or contract carrier of freight making the delivery of such alcoholic beverages. The records shall be kept and maintained for a period of 3 years, as required by s. 561.55.

Section 3. Section 565.17, Florida Statutes, is amended to read:

565.17 Beverage tastings by distributors, craft distilleries, and vendors.

(1) A licensed distributor of spirituous beverages, a craft distillery as defined in s. 565.03, or any vendor, is authorized to conduct spirituous beverage tastings upon any licensed premises authorized to sell spirituous beverages by package or for consumption on premises without being in violation of s. 561.42, provided that the conduct of the spirituous beverage tasting shall be limited to and directed toward the general public of the age of legal consumption.

(2) Craft distilleries may conduct tastings and sales of distilled spirits produced by the craft distilleries at Florida fairs, trade shows, farmers markets, expositions, and festivals. The division shall issue permits to craft distilleries for such tastings and sales. A craft distillery must pay all entry fees and must have a distillery representative present during the event. The permit is limited to the duration and physical location of the event.

Section 4. This act shall take effect July 1, 2021.

Approved by the Governor June 29, 2021.

Filed in Office Secretary of State June 29, 2021.