

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to  
3 which was referred Senate Bill No. 250 entitled “An act relating to alcoholic  
4 beverages” respectfully reports that it has considered the same and  
5 recommends that the House proposal of amendment be amended as follows:

6 First: After Sec. 13, Department of Taxes; Study of Transfer of Malt  
7 Beverages Between Licensed Manufacturing Locations; Report, by inserting  
8 Secs. 13a and 13b to read as follows:

9 Sec. 13a. 7 V.S.A. § 70 is added to read:

10 § 70. MANUFACTURERS OF MALT BEVERAGES; TRANSFER OF  
11 MALT BEVERAGES BETWEEN LICENSED LOCATIONS

12 (a) A licensed manufacturer of malt beverages may transfer malt beverages  
13 to a second licensed manufacturer of malt beverages provided:

14 (1) the manufacturers are part of the same company;

15 (2) one manufacturer owns the controlling interest in the other

16 manufacturer; or

17 (3) the controlling interest in each manufacturer is owned by the same  
18 person.

19 (b) For each transfer of malt beverages pursuant to this section, the  
20 manufacturers shall:

21 (1) document on invoices the amount of malt beverages transferred; and

1           (2) prepare and maintain records of each transfer in accordance with all  
2           applicable federal laws and regulations.

3           (c) The tax on malt beverages pursuant to section 421 of this title shall not  
4           be due at the time of the transfer, but shall be paid as provided in section 421  
5           of this title when the transferred malt beverages are either:

6                   (1) sold by a wholesaler or bottler to a retailer in this State; or

7                   (2) sold at retail by the manufacturer that received the transferred malt  
8           beverages.

9           Sec. 13b. REPEAL

10           7 V.S.A. § 70 (transfer of malt beverages between licensed manufacturers)  
11           shall be repealed on July 1, 2017.

12           Second: In Sec. 22, Recapture of Lost Sales of Spirits and Fortified Wines,  
13           in subsection (c), by striking out the year “2017” and inserting in lieu thereof  
14           the year “2018”

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17           (Committee vote: \_\_\_\_\_)

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Senator \_\_\_\_\_

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FOR THE COMMITTEE