

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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HOUSE BILL 782

Short Title: Fortified Malt Beverages Act. (Public)

Sponsors: Representatives Starnes, Luebke, Jordan, and Holley (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Rules, Calendar, and Operations of the House.

April 11, 2013

1 A BILL TO BE ENTITLED
2 AN ACT TO REGULATE THE SALE OF FORTIFIED MALT BEVERAGES.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 18B-101 reads as rewritten:

5 "**§ 18B-101. Definitions.**

6 As used in this Chapter, unless the context requires otherwise:

7 ...

8 (6a) "Finance officer" means the local board employee, other than a general
9 manager, who is responsible for keeping the accounts of the local board,
10 receiving and depositing receipts, disbursing funds, and any other duties
11 assigned by the local board or Commission.

12 (6b) "Fortified malt beverage" means a beverage that meets all of the following
13 requirements:

14 a. Contains at least nine percent (9%) alcohol by volume and no more
15 than fifteen percent (15%) alcohol by volume.

16 b. Is treated by processing, filtration, or another method of manufacture
17 that is not generally recognized as a traditional process in the
18 production of a beer as described in 27 C.F.R. § 25.55.

19 c. Contains an added flavor containing alcohol or any other ingredient
20 containing alcohol.

21 d. The manufacturer is required to file a formula for approval with the
22 United States Alcohol and Tobacco Trade and Tax Bureau pursuant
23 to 27 C.F.R. § 25.55.

24 (7) "Fortified wine" means any wine, of more than sixteen percent (16%) and no
25 more than twenty-four percent (24%) alcohol by volume, made by
26 fermentation from grapes, fruits, berries, rice, or honey; or by the addition of
27 pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the
28 same type of grape, fruit, berry, rice, or honey that is contained in the base
29 wine and produced in accordance with the regulations of the United States.

30 ...

31 (9) "Malt beverage" means beer, lager, fortified malt beverage, malt liquor, ale,
32 porter, and any other brewed or fermented beverage except unfortified or
33 fortified wine as defined by this Chapter, containing at least one-half of one
34 percent (0.5%), and not more than fifteen percent (15%), alcohol by volume.
35 Any malt beverage containing more than six percent (6%) alcohol by



1 volume shall bear a label clearly indicating the alcohol content of the malt
2 beverage.

3"

4 **SECTION 2.** G.S. 18B-800 reads as rewritten:

5 "**§ 18B-800. Sale of alcoholic beverages in ABC stores.**

6 (a) Spirituous Liquor. – Except as provided in Article 10 of this Chapter, spirituous
7 liquor may be sold only in ABC stores operated by local boards.

8 (a1) Fortified Malt Beverages. – Except as provided in Article 10 of this Chapter, and
9 notwithstanding any other provision of law, fortified malt beverages may be sold only in ABC
10 stores operated by local boards.

11 (b) Fortified Wine. – In addition to spirituous ~~liquor,~~liquor and fortified malt beverages,
12 ABC stores may sell fortified wine. ABC stores may also sell wine products, irrespective of
13 alcohol content by volume, which were classified as fortified wine by the ABC Commission
14 prior to July 7, 2004.

15"

16 **SECTION 3.** G.S. 18B-804 is amended by adding a new subsection to read:

17 "(e) Sale Price of Fortified Malt Beverage. – The sale price of fortified malt beverages
18 shall include the tax levied on beer by G.S. 105-113.80(a) as well as State and local sales
19 taxes."

20 **SECTION 4.** This act becomes effective July 1, 2014.