## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2015

H.B. 719 Apr 14, 2015 HOUSE PRINCIPAL CLERK

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## HOUSE DRH40337-ML-204 (3/25)

Short Title: Fortified Flavored Malt Beverages Act. (Public) Sponsors: Representative Luebke. Referred to: A BILL TO BE ENTITLED AN ACT TO REGULATE THE SALE OF FORTIFIED FLAVORED MALT BEVERAGES. The General Assembly of North Carolina enacts: **SECTION 1.** G.S. 18B-101 reads as rewritten: "§ 18B-101. Definitions. As used in this Chapter, unless the context requires otherwise: "Fortified flavored malt beverage" means a malt beverage that meets all of (6b)the following requirements: Contains at least nine percent (9%) alcohol by volume and no more a. than fifteen percent (15%) alcohol by volume. Is treated by processing, filtration, or another method of manufacture b. that is not generally recognized as a traditional process in the production of a beer as described in 27 C.F.R. § 25.55. Contains an added flavor or other ingredient containing alcohol other <u>c.</u> than a hop extract. d. The manufacturer is required to file a formula for approval with the United States Alcohol and Tobacco Trade and Tax Bureau pursuant to 27 C.F.R. § 25.55. The manufacturer is not a craft brewery or microbrewery. For <u>e.</u> purposes of this sub-subdivision, the terms "craft brewery" and "microbrewery" mean a brewery that sells, to consumers at the brewery, to wholesalers, to retailers, and to exporters, fewer than 25,000 barrels, as defined in G.S. 81A-9, of malt beverages produced by it per year. "Malt beverage" means beer, lager, fortified flavored malt beverage, malt (9) liquor, ale, porter, and any other brewed or fermented beverage except unfortified or fortified wine as defined by this Chapter, containing at least one-half of one percent (0.5%), and not more than fifteen percent (15%), alcohol by volume. Any malt beverage containing more than six percent (6%) alcohol by volume shall bear a label clearly indicating the alcohol content of the malt beverage. **SECTION 2.** G.S. 18B-800 reads as rewritten:

\* D R H 4 O 3 3 7 - M L - 2 O 4 \*

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

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- (a) Spirituous Liquor. Except as provided in Article 10 of this Chapter, spirituous liquor may be sold only in ABC stores operated by local boards.
- (a1) Fortified Flavored Malt Beverages. Notwithstanding any other provision of law, fortified flavored malt beverages may be sold only in ABC stores operated by local boards.
- (b) Fortified Wine. In addition to spirituous liquor, liquor and fortified flavored malt beverages, ABC stores may sell fortified wine. ABC stores may also sell wine products, irrespective of alcohol content by volume, which were classified as fortified wine by the ABC Commission prior to July 7, 2004.

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

11 12 "(e) Sale Price of Fortified Flavored Malt Beverage. – The sale price of fortified flavored malt beverages shall include the tax levied on beer by G.S. 105-113.80(a) as well as State and local sales taxes."

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**SECTION 4.** This act becomes effective October 1, 2015.