

SUBSTITUTE FOR
HOUSE BILL NO. 6543

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
(MCL 436.1101 to 436.2303) by adding section 1028.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 1028. (1) THE COMMISSION MAY ISSUE A SPECIAL LICENSE**
2 **UNDER THIS SECTION TO A QUALIFIED ORGANIZATION CONDUCTING A SPIRITS**
3 **TASTING. THE APPLICATION MUST CONFORM TO ALL OF THE FOLLOWING:**
4 **(A) BE SUBMITTED BY A QUALIFIED ORGANIZATION.**
5 **(B) THE SPIRITS TASTING INVOLVES AN EVENT HAVING FOR ITS**
6 **PRIMARY PURPOSE THE SHOWCASING OF SPIRITS AND THE SPIRITS'**
7 **PRODUCTION AND OR MIXABILITY.**
8 **(C) BE ACCOMPANIED BY A FEE OF \$25.00 PER DAY OF THE EVENT.**
9 **(2) THE HOLDER OF A SPECIAL LICENSE ISSUED UNDER THIS SECTION**
10 **SHALL NOT ALLOW MORE THAN 6 EVENTS PER CALENDAR YEAR CONFORMING TO**

1 THE REQUIREMENTS OF SUBSECTION (1) .

2 (3) A HOLDER OF A SPECIAL LICENSE ISSUED UNDER THIS SECTION
3 MAY PURCHASE THE SPIRITS FOR THE EVENT UNDER R 436.582 OF THE
4 MICHIGAN ADMINISTRATIVE CODE .

5 (4) A HOLDER OF A SPECIAL LICENSE ISSUED UNDER THIS SECTION
6 THAT DID NOT RECEIVE A DISCOUNT FROM A SPECIALLY DESIGNATED
7 DISTRIBUTOR FOR THE PURCHASE OF SPIRITS UNDER SECTION 609D(1) MAY
8 RECEIVE A REBATE ON THE PURCHASE OF SPIRITS SUBJECT TO ALL OF THE
9 FOLLOWING:

10 (A) THE REBATE MUST BE THE DIFFERENCE OF THE PURCHASE PRICE
11 THE SPECIAL LICENSEE PAID TO THE SPECIALLY DESIGNATED DISTRIBUTOR
12 AND THE SUM OF THE FOLLOWING:

13 (i) THE PRICE THE COMMISSION PAID FOR THE SPIRITS BEFORE
14 ESTABLISHING THE PRICE TO DETERMINE THE GROSS PROFIT UNDER SECTION
15 233 .

16 (ii) FIFTEEN PERCENT OF THE PRICE UNDER SUBPARAGRAPH (i) .

17 (iii) SPECIFIC TAXES CALCULATED ON THE PRICE OF THE SPIRITS
18 ESTABLISHED UNDER SECTION 233 .

19 (B) THE SPECIAL LICENSEE SHALL SUBMIT 1 COMBINED REQUEST FOR A
20 REBATE BY MARCH 1 OF EACH YEAR FOR ALL SPIRIT TASTING EVENTS FOR
21 WHICH IT WAS ISSUED A SPECIAL LICENSE UNDER THIS SECTION IN THE
22 PREVIOUS CALENDAR YEAR .

23 (C) THE SPECIAL LICENSEE SHALL SUBMIT ITS REQUEST FOR A REBATE
24 ON A FORM PRESCRIBED BY THE COMMISSION. THE SPECIAL LICENSEE SHALL
25 INCLUDE ALL OF THE FOLLOWING INFORMATION WITH ITS REQUEST FOR A
26 REBATE:

27 (i) THE DATE OR DATES OF THE SPIRITS TASTING EVENTS FOR WHICH

1 A REBATE IS BEING REQUESTED.

2 (ii) THE NAME AND LICENSE NUMBER OF THE SPECIALLY DESIGNATED
3 DISTRIBUTOR FROM WHICH THE SPIRITS WERE PURCHASED.

4 (iii) THE PURCHASE PRICE PAID PER BOTTLE TO THE SPECIALLY
5 DESIGNATED DISTRIBUTOR.

6 (iv) THE QUANTITY OF BOTTLES PURCHASED LESS ANY BOTTLES
7 RETURNED UNDER SECTION 609D(2).

8 (v) THE SPECIAL LICENSEE SHALL SUBMIT A COPY OF THE RECEIPT OR
9 INVOICE THAT SHOWS THE PRICE IT PAID FOR THE SPIRITS TO THE
10 SPECIALLY DESIGNATED DISTRIBUTOR AND ANY PRODUCTS RETURNED UNDER
11 SECTION 609D(2).

12 (D) BY JUNE OF EACH YEAR, THE COMMISSION SHALL ISSUE A
13 COMBINED REBATE TO THE SPECIAL LICENSEE FOR EACH OF THE EVENTS IN
14 THE PREVIOUS CALENDAR YEAR FOR WHICH THE SPECIAL LICENSEE SUBMITTED
15 A REQUEST FOR A REBATE.

16 (5) A HOLDER OF A SPECIAL LICENSE ISSUED UNDER THIS SECTION
17 AND THE MEMBER VENDORS OF SPIRITS, SMALL DISTILLERS, AUTHORIZED
18 DISTRIBUTION AGENTS, AND BROKERS WHOSE VENDOR REPRESENTATIVES,
19 SALESPERSONS, OR AGENTS ARE LICENSED BY THE COMMISSION, MAY POUR
20 AND SERVE SPIRITS, WITH OR WITHOUT MIXERS.

21 (6) AS USED IN THIS SECTION:

22 (A) "QUALIFIED ORGANIZATION" IS A NONPROFIT ASSOCIATION WHOSE
23 MEMBERSHIP INCLUDES AT LEAST 15 PRIMARY MEMBERS AND CONSISTS OF AT
24 LEAST 3 OF THE FOLLOWING THAT ARE LICENSED BY THE COMMISSION:

25 (i) VENDORS OF SPIRITS.

26 (ii) SMALL DISTILLERS.

27 (iii) BROKERS. AS USED IN THIS SUBPARAGRAPH, "BROKER" MEANS

1 THAT TERM AS DEFINED IN SECTION 609.

2 (iv) AUTHORIZED DISTRIBUTION AGENTS.

3 (B) "SPIRITS TASTING" MEANS AN EVENT AT WHICH SPIRITS ARE
4 SHOWCASED TO THE GENERAL PUBLIC AND AT WHICH THE GENERAL PUBLIC CAN
5 PURCHASE AND SAMPLE THE SPIRITS BEING SHOWCASED FOR CONSUMPTION ON
6 THE LICENSED PREMISES.

7 Enacting section 1. This amendatory act does not take effect
8 unless Senate Bill No. 1181 of the 99th Legislature is enacted into
9 law.