

# **NORTH CAROLINA ABC COMMISSION**

## **ABC POLICIES REGARDING DISTILLERY RETAIL SALES PENDING RULEMAKING**

(Effective September 1, 2020)

In addition to the rules set forth in 14B NCAC 15A .2100, distilleries selling at retail spirituous liquor distilled at the distillery, either as bottles pursuant to G.S. 18B-1105(4) or mixed beverages pursuant to G.S. 18B-1105(4a), shall be subject to the following policies:

1. PRIOR APPROVAL FROM ABC COMMISSION
  - a. Prior to selling mixed beverages containing spirituous liquor distilled at the distillery on the premises to consumers, a distillery permittee shall submit a written request for approval to the Commission regarding its intent to sell mixed beverages to consumers.
  - b. The request shall include an actual diagram of the premises delineating the retail sales space from the commercial distillery production space (non-retail space) showing:
    - i. the entrances and exits;
    - ii. the storage area for alcoholic beverages to be sold or used for retail purposes;
    - iii. the locations where alcoholic beverages will be served or consumed; and
    - iv. the exterior areas under lease, authority, or control of the applicant used for retail purposes.
  - c. The Commission shall verify compliance with G.S. 18B-1105(a)(4a) and Paragraph 1.b.
  - d. Within 15 days of receipt of the request, the Commission shall send written notice to the permittee of approval based on satisfying the requirements in Paragraph 1.c., or of disapproval and the reasons for disapproval.
2. RETAIL AND NON-RETAIL SPACE - Only the sale of bottles pursuant to G.S. 18B-1105(a)(4), the sale and consumption of mixed beverages pursuant to G.S. 18B-1105(a)(4a), the sale of malt beverages, unfortified wine, and fortified wine pursuant to G.S. 18B-1105(a)(6), and consumer tasting events pursuant to G.S. 18B-1001(19) may occur in the space approved by the Commission for retail sales. No other acts authorized by G.S. 18B-1105 shall be allowed in the area approved for retail sales. Only non-retail sales acts authorized by G.S. 18B-1105 and G.S. 18B-1001(19) shall be allowed in the space approved by the Commission for non-retail sales activities. Except for consumer tasting events pursuant to G.S. 18B-1001(19), no portion of the distillery permitted premises shall be used for both retail sales and non-retail sales activities.
3. MIXED BEVERAGE PERMITTEE REQUIREMENTS APPLIED - For purposes of sales of mixed beverages made exclusively from spirituous liquor distilled at the distillery, the distillery shall comply with all requirements applicable to a mixed beverages permittee, except spirituous liquor used for mixed beverages distilled at the distillery does not have to be purchased from an ABC board.
4. ADDITIONAL PERMITS REQUIRED - Separate permits shall be required for on-premise malt beverage, unfortified wine, and fortified wine sales, for the sale of mixed beverages containing spirituous liquor other than that produced at the distillery, and consumer tasting events conducted pursuant to G.S. 18B-1001(19).

5. OTHER SPIRITUOUS LIQUOR ALLOWED - In the portion of the permitted premises approved for non-retail sale acts, in addition to possessing spirituous liquor distilled at the distillery, the distillery may possess spirituous liquor used exclusively for spirituous liquor production purposes, including comparison, tasting, flavoring, sensory analysis, quality control, and education.