



## Alcoholic Beverage Control

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**FOR IMMEDIATE RELEASE**

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## **NC ABC COMMISSION TAKES ACTION ON 59 VIOLATIONS AND ADJUSTS OPERATIONAL FEES**

RALEIGH – The North Carolina Alcoholic Beverage Control Commission met today and took action on 59 permit violations, levying fines in excess of \$70,000 and/or imposing suspensions of five days or more on businesses that hold permits to sell alcohol in the state. Fines are due Jan.2, 2015 and suspensions begin Jan.9, 2015.

After presentations and speakers who were entirely in support of the proposal to adjust the spirituous liquor pricing formula, the Commission voted to adjust bailment fees down, bailment surcharge fees up and to increase the local board mark-up for retail purchase of individual bottles. The net effect of the adjustment for consumers is projected to be pennies per bottle. The adjustments, which go into effect May 1, 2015:

- Increase local board mark-up from the current 39% level to 39.5 %. This is the first increase in nine years and allows the ABC boards to address the increased costs of doing business while delivering additional profits to their county and local governments.
- Decrease the bailment fee 10 cents from the current charge of \$1.60 to \$1.50. This fee funds warehouse operations, which are under long-term contract and structured so that the fee collected to pay for the service decreases over the term of the contract.
- Increase the bailment surcharge, which funds Commission operations, from the current charge of \$0.80 to \$1.40 per case. The 60 cent increase is projected to will bring in an additional \$3 million a year to assist in funding the Initiative to Reduce Underage Drinking.

In other business, the Commission:

- upheld staff disapproval of a malt beverage product in three sizes and concentrations of alcohol, imported by Irokos Group.
- approved a requested exemption by Bull Durham Beer Company.
- approved beginning the mandated review of 04 NCAC 02R initial classifications.
- approved a rules amendment to allow for point of sale display materials to be valued at up to \$300.

### **ABOUT THE NC ABC COMMISSION**

North Carolina is one of 17 states to regulate alcohol through a control system. Since 1937, the North Carolina Alcoholic Beverage Control Commission has provided regulation and control over the sale, purchase, transportation, manufacture, consumption and possession of alcoholic beverages in the state of North Carolina. The Commission oversees permits allowing alcohol sales by more than 18,000 retail outlets across the state. <http://abc.nc.gov>.

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