



2023-2024 General Assembly

SENATE BILL 527: ABC Omnibus 2023-24, Sec. 1: Exclude Ready-To-Drink Cocktails From Mixed Beverage Charge

Committee:
Introduced by:
Analysis of: Sec. 1 of S.L. 2024-41

Date: August 26, 2024
Prepared by: Chris Saunders
Staff Attorney

OVERVIEW: *Section 1 of S.L. 2024-41 (i) creates a definition for premixed cocktails and classifies premixed cocktails sold by mixed beverages permittees as mixed beverages, regardless of whether the premixed cocktails are sold in an open container or a closed container, and (ii) exempts premixed cocktails from the mixed beverages charge and the requirement to affix a mixed beverage tax stamp to those containers when sold to a mixed beverages permittee for resale.*

This section became effective July 8, 2024.

PRIOR LAW: Under prior law, containers of spirituous liquor sold to a mixed beverage permittee were subject to a charge of \$20.00 per four liters (\$3.75 per 750mL bottle). This also applies to premixed cocktails, which are usually sold in an individual serving-sized container. The definition of "mixed beverage" includes premixed cocktails "served from a closed package containing only one serving," but this language prohibits mixed beverage permittees from serving the premixed cocktail in its original container.

BILL ANALYSIS:

Section 1.(a) of S.L. 2024-41 creates a definition for premixed cocktails and classifies premixed cocktails sold by mixed beverages permittees as mixed beverages, regardless of whether the premixed cocktails are sold in an open container or a closed container.

Section 1.(b) exempts premixed cocktails from the mixed beverages charge and the requirement to affix a mixed beverage tax stamp to those containers when sold to a mixed beverages permittee for resale.

Section 1.(c) makes a conforming change.

EFFECTIVE DATE: This section became effective July 8, 2024.

Kara McCraw
Director



Legislative Analysis
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