



ACT #2025 - 413

1 SB316
2 KHZJHAA-3
3 By Senators Singleton, Bell
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 08-Apr-25



SB316 Enrolled



Enrolled, An Act,

Relating to alcoholic beverages; to add Section 28-3A-6.5 to the Code of Alabama 1975, to require the Alcoholic Beverage Control Board to issue an educational tourism distillery license; to regulate retail sale of alcoholic beverages by the licensee; to levy a tax on liquor manufactured by the licensee; to provide for storage of liquor manufactured by the licensee; to amend Section 28-3A-21, Code of Alabama 1975, to set a license fee; and to amend Section 28-6A-2, Code of Alabama 1975, to provide for purchase of table wine from a small farm winery by an educational tourism distillery.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 28-3A-6.5 is added to the Code of Alabama 1975, as follows:

§28-3A-6.5

(a)(1) Upon compliance by an applicant with this section and this chapter and provided the operation shall be in compliance with state and federal laws, rules, and regulations, the Alabama Alcoholic Beverage Control Board may issue an Educational Tourism Distillery license to any person, association, or corporation engaged in the producing, bottling, manufacturing, distilling, rectifying, or compounding of liquor upon payment of the license fee as established in Section 28-3A-21.

(2) For the purposes of this section, an Educational



29 Tourism Distillery licensee must produce, bottle, manufacture,
30 distill, rectify, or compound 100,000 gallons or more of
31 liquor a year.

32 (3) For purposes of this section, the total gross sales
33 of an Educational Tourism Distillery licensee must be 50
34 percent or more from liquor products produced, bottled,
35 manufactured, distilled, rectified, or compounded on site.

36 (4) For purposes of this section, an Educational
37 Tourism Distillery licensee may export sales outside of the
38 State of Alabama.

39 (5) Any licensee operating under or in conjunction with
40 an Educational Tourism Distillery license shall be responsible
41 for ensuring compliance with all applicable laws and board
42 rules relating to the sale of alcohol.

43 (b) An Educational Tourism Distillery license
44 authorizes the licensee to do all of the following on the
45 premises pursuant to this section:

46 (1) Purchase other liquor and wine from the board, or
47 as authorized by the board; purchase table wine and beer from
48 any wholesale licensee of the board; and sell liquor, wine,
49 and beer dispensed from containers of any size, to include
50 draft beer, for on-premises consumption. The sale of alcoholic
51 beverages under this subdivision shall be confined to a
52 designated enclosed area comprising no fewer than 500 square
53 feet for service and consumption, within which patrons under
54 21 years of age are prohibited from entering. Any liquor
55 manufactured at the licensed premises may be sold for
56 on-premise consumption in this designated area, provided that



57 the total amount of liquor sold in a single tasting or
58 sampling flight does not exceed one and one-half ounces.

59 (2) Purchase other liquor and wine from the board, or
60 as authorized by the board; purchase table wine and beer from
61 any wholesale licensee of the board; and sell liquor, wine,
62 and beer dispensed from containers of any size, to include
63 draft beer, for on-premises consumption in a freestanding
64 separate structure on the licensed premises where the licensee
65 provides or serves food. Any liquor manufactured at the
66 licensed premises may be sold at retail for on-premises
67 consumption in the designated area.

68 (3) Purchase other liquor and wine from the board, or
69 as authorized by the board; purchase table wine and beer from
70 any wholesale licensee of the board; and sell liquor, wine,
71 and beer dispensed from containers of any size, to include
72 draft beer, for on-premises consumption at temporary or
73 permanently designated serving stations on the licensed
74 premises for special events such as receptions, parties, or
75 similar gatherings. A licensee shall post at each of its
76 special event serving stations at least one sign warning
77 customers that the sale of alcoholic beverages to patrons
78 under 21 years of age is strictly prohibited. Any liquor
79 manufactured at the licensed premises may be sold for
80 on-premises consumption in the designated serving stations.

81 (4) Sell at retail in a designated enclosed area which
82 shall be separate from all other designated areas on the
83 licensed premises, for off-premises consumption, liquor
84 manufactured at the licensed premises; provided, however,



liquor sold for off-premises consumption may not exceed four and one-half liters per customer per day and shall be sealed, labeled, packaged, and taxed in accordance with state and federal laws and regulations.

(5) Must provide patrons with the opportunity to participate in a guided tour of the distillery operations, which tours must include an educational component in which an in-person guide provides information to patrons regarding the historic and scientific characteristics of the liquor manufactured at the licensed premises. A licensee may offer a tasting or sampling of liquor manufactured at the licensed premises at the conclusion of each tour in a designated enclosed area which shall be separate from all other designated areas on the licensed premises, provided that the total amount of liquor provided to each patron for such tasting or sampling does not exceed one and one-half ounces. The price of such tasting or sampling shall be included in the price charged to patrons over 21 years of age for the guided tour. No retail sales shall be authorized in the designated area.

(c) An Educational Tourism Distillery licensee may transfer liquor directly from a licensed manufacturer. For the purposes of this subdivision, the licensee must have a 75 percent ownership or control of the brand or product received by the licensee.

(d) The licensed premises must contain a distillery operation that encompasses no fewer than 5,000 square feet in one or more structures.



113 (e) There is levied and assessed upon all liquor
114 manufactured on the premises that is dispensed or sold at
115 retail for on-premises or off-premises consumption, as well as
116 samplings and tastings consumed as provided in this section,
117 the mark up and the privilege or excise tax imposed on the
118 retail sale of liquor in a state liquor store, in the same
119 manner as if collected in a state liquor store. Taxes and
120 markup described in this subsection shall be remitted by the
121 licensee to the board. The respective mark up and taxes
122 collected will be distributed, respectively, in the same
123 manner as the mark up and taxes collected in an ABC liquor
124 store.

125 (f) The tax levied in subsection (e) shall be collected
126 by a return which shall be filed by the licensee with the
127 board postmarked not later than the last day of the month
128 following the month of production or sale of liquor, which
129 shall be accompanied by the remittance of the tax due. The
130 report shall include, but not be limited to, a consolidated
131 report of all liquor manufactured, sold, or otherwise consumed
132 on the licensed location. The report shall be in the form and
133 containing information as the board may prescribe.

134 (1) If a licensee fails to file any return required to
135 be filed with the board on or before the date prescribed
136 therefor, including any written extension of time granted by
137 the board in advance, there shall be assessed as a penalty the
138 greater of 10 percent of any additional tax required to be
139 paid with the return or fifty dollars (\$50).

140 (2) If a licensee fails to pay to the board the amount



141 of the tax due on a return required to be filed on or before
142 the date prescribed for payment of the tax, including any
143 written extension of time granted by the board in advance,
144 there shall be added as a penalty 10 percent of the unpaid
145 amount due on the return.

146 (3) Interest shall be added to any tax due to the board
147 which is not paid by the due date, from the due date of the
148 tax, computed based on the underpayment rate established by
149 the Secretary of the Treasury under the authority of 26 U.S.C.
150 § 6621.

151 (g) An Educational Tourism Distillery licensee shall
152 not sell any alcoholic beverages direct to any retailer.

153 (h) An Educational Tourism Distillery licensee shall
154 file with the board, prior to making any sales in Alabama, a
155 list of its labels to be sold in Alabama and shall file with
156 the board its federal certificate of label approvals or its
157 certificates of exemption as required by the U.S. Treasury
158 Department. All liquors whose labels have not been registered
159 as herein provided for shall be considered contraband and may
160 be seized by the board or its agents, or any peace officer of
161 the State of Alabama without a warrant and the goods shall be
162 delivered to the board and disposed of as provided by law.

163 (i)(1) An Educational Tourism Distillery licensee shall
164 keep at its principal place of business within the state daily
165 permanent records that show the quantities of raw materials
166 received and used in the manufacture of liquor, and the
167 quantities of alcoholic beverages manufactured and stored, the
168 sale of alcoholic beverages, the quantities of alcoholic



169 beverages stored for hire or transported for hire by or for
 170 the licensee, and the names and addresses of the purchasers or
 171 other recipients thereof.

172 (2) An Educational Tourism Distillery licensee shall
 173 keep and maintain for a minimum of three years all records
 174 required to be kept and maintained at the licensed location by
 175 manufacturer, wholesaler, and retailer licensees for the tax
 176 so levied except that the Educational Tourism Distillery is
 177 not required to maintain name, address, or other personal
 178 demographic information for sales as provided in subdivision
 179 (1).

180 (j) An Educational Tourism Distillery Licensee shall be
 181 subject to inspection by members of the board or by
 182 individuals authorized and designated by the board at any time
 183 of the day or night as they may deem necessary for the
 184 detection of violations of this chapter, of any law, or of the
 185 rules of the board, or for the purpose of ascertaining the
 186 correctness of the records required to be kept by the
 187 licensees. The books and records of licensees, at all times,
 188 shall be open to inspection by members of the board or by
 189 individuals authorized and designated by the board. Members of
 190 the board and its authorized agents, without hindrance, may
 191 enter any place that is subject to inspection hereunder or any
 192 place where records are kept for the purpose of making
 193 inspections and making transcripts thereof.

194 (k) An Educational Tourism Distillery Licensee may be
 195 certified in the Responsible Vendor Program.

196 (l) A licensee shall post in each of its locations



where alcoholic beverages are served at least one sign warning customers that the sale of alcoholic beverages to patrons under 21 years of age is strictly prohibited. The sign shall be posted at a point of sale or in any other location that is visible to customers and employees.

(m) An Educational Tourism Distillery licensee shall maintain a surety bond of not less than twenty-five thousand dollars (\$25,000), payable to the Alabama Alcoholic Beverage Control Board for any outstanding fine, penalty, or tax.

(n) Upon approval of the Alabama Alcoholic Beverage Control Board, a licensee shall be allowed one off-premises manufacturer extension location for the exclusive storage of finished and unfinished goods pursuant to this section:

(1) A licensee must provide documentation indicating approval from the Alcohol and Tobacco Tax and Trade Bureau for the extension. Prior to a manufacturer extension being issued in Alabama, the licensee must provide all of the following:

a. Approval of the manufacturer extension from the Alcohol and Tobacco Tax and Trade Bureau.

b. A lease, deed, or other document showing control of the property.

c. A current, valid Educational Tourism Distillery license from the board.

(2) The application for a manufacturing extension must be approved by the board prior to its use.

(3) The manufacturer extension premises must be secured at all times.

(4) The manufacturer extension premises cannot be used



225 for the exportation of products nor any form of distribution
226 of products within Alabama.

227 (5) Except where otherwise prohibited by federal or
228 state statute, a licensee may obtain a manufacturer extension
229 for a building located 10 miles or less from the original
230 licensed premises. A manufacturer extension will be prohibited
231 outside the State of Alabama.

232 (6) Authorized representatives of the board or
233 commissioned law enforcement officers of the state, county, or
234 municipality in which the manufacturer extension premises is
235 located shall be allowed to enter and search, without a
236 warrant, the manufacturer extension premises or any building
237 owned or occupied by the licensee in connection therewith,
238 adjoining, adjacent to, or part of the curtilage thereof,
239 whether used as a private dwelling or not, at any time.

240 (7) No sales, sampling, or tastings of any alcoholic
241 beverage shall be allowed at the manufacturer extension
242 premises.

243 (8) A licensee under this section that is issued a
244 manufacturer extension must maintain all records related to
245 the disposition of the finished or unfinished goods stored in
246 the extension, as applicable.

247 (9) The finished and unfinished goods may be
248 transported in bond from the licensed premises to the
249 manufacturer extension location for storage, as applicable.
250 Transportation shall be made by the licensee or employee of
251 the same in a vehicle bearing signage on each side identifying
252 the licensee. Included in the transportation vehicle shall be



253 a current copy of the manufacturer extension and the bill of
254 lading or other documentary evidence of ownership of the
255 product on board.

256 Section 2. Section 28-3A-21, Code of Alabama 1975, is
257 amended to read as follows:

258 "§28-3A-21

259 (a) The following annual license fees are levied and
260 prescribed for licenses issued and renewed by the board
261 pursuant to the authority contained in this chapter:

262 (1) Manufacturer license, license fee of five hundred
263 dollars (\$500).

264 (2) Importer license, license fee of five hundred
265 dollars (\$500).

266 (3) Liquor wholesale license, license fee of five
267 hundred dollars (\$500).

268 (4) ~~Wholesaler~~Beer wholesaler license, ~~beer~~ license fee
269 of five hundred fifty dollars (\$550) ~~or wine license fee of~~
270 ~~five hundred fifty dollars (\$550); license fee for beer and~~
271 ~~wine of seven hundred fifty dollars (\$750);~~ plus two hundred
272 dollars (\$200) for each warehouse in addition to the principal
273 warehouse.

274 (5) Wine wholesaler license, license fee of five
275 hundred fifty dollars (\$550) plus two hundred dollars (\$200)
276 for each warehouse in addition to the principal warehouse.

277 ~~(5)~~(6) Warehouse license, license fee of two hundred
278 dollars (\$200).

279 ~~(6)~~(7) Lounge retail liquor license, license fee of
280 three hundred dollars (\$300).



281 ~~(7)~~(8) Restaurant retail liquor license, license fee of
282 three hundred dollars (\$300).

283 ~~(8)~~(9) Club liquor license, Class I license fee of
284 three hundred dollars (\$300), Class II license fee of seven
285 hundred fifty dollars (\$750).

286 ~~(9)~~(10) Retail table wine license for off-premises
287 consumption, license fee of one hundred fifty dollars (\$150).

288 ~~(10)~~(11) Retail table wine license for on-premises and
289 off-premises consumption, license fee of one hundred fifty
290 dollars (\$150).

291 ~~(11)~~(12) Retail beer license for on-premises and
292 off-premises consumption, license fee of one hundred fifty
293 dollars (\$150).

294 ~~(12)~~(13) Retail beer license for off-premises
295 consumption, license fee of one hundred fifty dollars (\$150).

296 ~~(13)~~(14) Retail common carrier liquor license, license
297 fee of one hundred fifty dollars (\$150) for each railroad,
298 airline, bus line, ship line, vessel or other common carrier
299 entity with a vehicle passenger capacity of at least 10
300 people.

301 ~~(14)~~(15) Special retail license, license fee of one
302 hundred dollars (\$100) for 30 days or less; license fee of two
303 hundred fifty dollars (\$250) for more than 30 days.

304 ~~(15)~~(16) Special events retail license, license fee of
305 one hundred fifty dollars (\$150).

306 (17) Educational tourism distillery license, license
307 fee of one thousand dollars (\$1,000).

308 (b) The license fees levied and fixed by this section



309 shall be paid before the license is issued or renewed.

310 (c) In addition to the foregoing filing fee and license
 311 taxes or fees, any county or municipality in which the sale of
 312 alcoholic beverages is permitted shall be authorized to fix
 313 and levy privileges or license taxes on any of the foregoing
 314 licenses located or operated therein, conditioned on a permit
 315 or license being issued by the board.

316 (d) No county or municipality shall have any authority
 317 to levy a license or tax of any nature on any liquor store."

318 Section 3. Section 28-6A-2, Code of Alabama 1975, is
 319 amended to read as follows:

320 "\$28-6A-2

321 (a)(1) For the purposes of this section, the term
 322 "table wine" includes mead.

323 (2) For the purposes of this section, a "small farm
 324 winery" means a manufacturer of table wine licensed by the
 325 Alcoholic Beverage Control Board, which produces fewer than
 326 50,000 gallons of table wine per year, and meets one of the
 327 following criteria:

328 a. Produces at least 50 percent of its total production
 329 of table wine from fruit that is grown, or honey that is
 330 harvested, in this state.

331 b. Produces all of its total production of table wine
 332 within this state and owns not less than eight acres of
 333 vineyards in this state.

334 (3) For the purposes of this section, table wine that
 335 has been produced by a manufacturer, or a subsidiary or
 336 affiliate or other related entity of the manufacturer, and



337 table wine produced exclusively for the winery by another
338 manufacturer shall be considered to be produced by the winery
339 and shall be included in the 50,000 gallon limit provided in
340 subdivision (2).

341 (b) A catastrophic loss to produce grown in this state,
342 including, but not limited to, one caused by drought or frost,
343 may not disqualify a small farm winery if the winery qualified
344 as a small farm winery prior to the catastrophic loss.

345 (c) Notwithstanding any provision of this title to the
346 contrary, a small farm winery may do all of the following:

347 (1) Sell its table wines produced on its licensed
348 premises directly from its licensed premises at retail to
349 consumers physically present at the licensed premises, either
350 for on-premises or off-premises consumption, for personal use
351 and not for resale; provided, the winery collects and remits
352 all state and local sales or use taxes and excise taxes due on
353 the sale of table wine to consumers, packages and labels the
354 wine in accordance with state and federal law, and reports its
355 annual production of table wine to the board.

356 (2)a. Either of the following, provided that
357 transportation of wine under this subdivision is made by the
358 winery's employees in a vehicle owned or leased by the winery:

359 1. Sell and transport up to 10,000 gallons of its table
360 wine produced on its licensed premises directly to licensed
361 retailers each year.

362 2. Sell and transport up to 20,000 gallons of its table
363 wine produced on its licensed premises directly to licensed
364 retailers each year, if the winery provides to the board proof



365 that the winery's table wine has been declined to be
366 distributed by two separate wholesalers of table wine. If the
367 winery's table wine has been accepted for distribution by any
368 wholesaler of table wine, then the winery may not sell its
369 table wine directly to retailers under this paragraph.

370 b. For purposes of this subdivision, "retailers"
371 include those that are licensed by the board for on-premises
372 consumption, for off-premises consumption, or for both.

373 c. If a winery sells and transports 20,000 total
374 gallons of table wine directly to retailers as provided in
375 this subdivision in any one year, that winery may not
376 subsequently sell and transport table wine directly to
377 retailers under this subdivision.

378 d. Notwithstanding any other provision of this section
379 to the contrary, a small farm winery may only sell and
380 transport table wine that has been approved by the board for
381 sale within the state and for which the small farm winery owns
382 the Certificate of Label Approval issued by the Alcohol and
383 Tobacco Tax and Trade Bureau.

384 (3) Provided that transportation of wine under this
385 subdivision is made by the winery's employees in a vehicle
386 owned or leased by the winery, sell and transport its table
387 wine to an educational tourism distillery licensed under this
388 title solely for on-premises consumption at the educational
389 tourism distillery pursuant to law and board rules.

390 (d) A county or a municipality may not require a small
391 farm winery to pay any fees, including business licensure
392 fees, to make sales or deliveries under this section, or any



393 additional local tax other than the tax described in
394 subdivision (c)(1).

395 (e)(1) A small farm winery shall maintain records
396 verifying that the winery meets the qualifications under this
397 section, and shall provide those records to the board upon
398 request.

399 (2) A small farm winery shall report to the board each
400 month the amount of table wine sold directly to each licensed
401 retailer under this section.

402 (f) The board shall adopt rules to implement this
403 section."

404 Section 4. This act shall become effective on October
405 1, 2025.



President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB316

Senate 15-Apr-25

I hereby certify that the within Act originated in and passed
the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed: 06-May-25

By: Senator Singleton

APPROVED

TIME

Kay Ivey
GOVERNOR

Alabama Secretary Of State

Act Num....: 2025-413
Bill Num...: S-316

ENGROSSED

Senate Bill No. 316

SPONSOR

Singamon

CO-SPONSORS

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SENATE ACTION

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB _____.

yeas _____ nays _____ abstain _____

PATRICK HARRIS,
Secretary

I hereby certify that the notice & proof is attached to the Bill, SB _____ as required in the General Acts of Alabama, 1975 Act No. 919.

PATRICK HARRIS,
Secretary

CONFERENCE COMMITTEE

Senate Conferees _____

HOUSE ACTION

DATE: 4.17 2025

RD 1 RFD CDIT

REPORT OF STANDING COMMITTEE

This bill having been referred by the House to its standing committee on ED + T was acted upon by such committee in session, and returned therefrom to the House with the recommendation that it be Passed, w/amend(s) 1 w/sub 1. This 29 day of April, 2025.

Andy Thitt, Chairperson

DATE: 4.29 2025

RF W sub RD 2 CAL

DATE: _____ 20____

RE-REFERRED ☐ RE-COMMITTED ☐

Committee _____

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 316.

YEAS _____ NAYS _____

JOHN TREADWELL,
Clerk

FURTHER HOUSE ACTION (OVER)