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SENATE BILL NO. 557

Offered January 8, 2014

A *BILL to amend and reenact §§ 4.1-119, 4.1-206, 4.1-231, and 4.1-233 of the Code of Virginia, relating to alcoholic beverage control; distillers' licenses; tasting privileges; distillers' special event licenses.*

Patron—Black

Referred to Committee on Rehabilitation and Social Services

Be it enacted by the General Assembly of Virginia:

1. That §§ 4.1-119, 4.1-206, 4.1-231, and 4.1-233 of the Code of Virginia are amended and reenacted as follows:

§ 4.1-119. Operation of government stores.

A. Subject to the requirements of §§ 4.1-121 and 4.1-122, the Board may establish, maintain and operate government stores for the sale of alcoholic beverages, other than beer and wine not produced by farm wineries, vermouth, mixers, and products used in connection with distilled spirits, including any garnish or garnishment applied to the rim of a glass of distilled spirits, as may be approved by the Board from time to time, in such counties, cities, and towns considered advisable by the Board. The Board may discontinue any such store.

B. With respect to the sale of wine produced by farm wineries, the Board may give preference to farm wineries that produce 2,500 cases or less of wine per year.

C. The Board shall fix the wholesale and retail prices at which the various classes, varieties and brands of alcoholic beverages and other Board-approved products that are sold in government stores. Differences in the cost of operating stores, and market competition and conditions may be reflected in the sale price of alcoholic beverages sold at government stores. The Board may sell alcoholic beverages to federal instrumentalities (i) authorized and operating under the laws of the United States and regulations of the United States Department of Defense and (ii) located within the boundaries of federal enclaves or reservations over which the United States has acquired jurisdiction, at prices which may be greater or less than the wholesale price charged other authorized purchasers.

D. Alcoholic beverages at government stores shall be sold by employees of the Board, who shall carry out the provisions of this title and Board regulations governing the operation of government stores and the sale of alcoholic beverages, except that the Board may appoint the holder of a distiller's license or its officers and employees as agents of the Board for the sale of spirits, manufactured by or for, or blended by such licensee on the licensed premises, at government stores established by the Board on the distiller's licensed premises, provided:

1. At least 51 percent of the agricultural products used by such licensee to manufacture the spirits are grown on the licensee's farm or land in Virginia leased by the licensee and no more than 25 percent of the agricultural products are grown or produced outside the Commonwealth. However, upon petition by the Department of Agriculture and Consumer Services, the Board may permit the use of a lesser percentage of products grown on the licensee's farm if unusually severe weather or disease conditions cause a significant reduction in the availability of agricultural products grown on the farm to manufacture the spirits during a given license year;

2. Such licensee is a duly organized nonprofit association holding title to real property, together with improvements thereon that are significant in American history, under a charter from the Commonwealth to preserve such property, and which association accepts no federal, state, or local funds;

3. Such licensee operates a museum whose licensed premises is located on the grounds of a local historic building or site;

4. Such licensee is an independently certified organic distillery, with such certification by a USDA-accredited certification agency; or

5. Such licensee is employing traditional distilling techniques, including the use of authentic copper pot stills to blend or produce spirits in any county with a population of less than 20,000.

Such agents shall sell the spirits in accordance with the provisions of this title, Board regulations, and the terms of the agency agreement between the Board and the licensed distiller.

For the purposes of this subsection, "blended" means the receipt by a licensed distiller of deliveries and shipments of alcoholic beverages, other than wine and beer, in accordance with subdivision 6 § 4.1-201 to be (i) additionally aged by the receiving distillery in order to increase the quality and flavor of such alcoholic beverages and (ii) bottled by the receiving distillery.

E. No Class 1 neutral grain spirit or alcohol, as defined by federal regulations, that is without

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SB557

59 distinctive character, aroma, taste or color shall be sold in government stores at a proof greater than 101
60 except upon permits issued by the Board for industrial, commercial, culinary, or medical use.

61 F. All alcoholic beverages sold in government stores, except for tasting samples pursuant to
62 subsection G sold in government stores established by the Board on a distiller's licensed premises, shall
63 be in closed containers, sealed and affixed with labels prescribed by the Board.

64 G. No alcoholic beverages shall be consumed in a government store by any person unless it is part
65 of an organized tasting event conducted by (i) an employee of a manufacturer of distilled spirits or farm
66 winery or (ii) an authorized representative of a manufacturer of distilled spirits or farm winery with a
67 permit issued by the Board pursuant to subdivision A 15 of § 4.1-212, and the samples of alcoholic
68 beverages provided to any consumer do not exceed the limits for spirits or wine set forth in subdivision
69 A 5 of § 4.1-201.1. No sample may be consumed by any individual to whom alcoholic beverages may
70 not lawfully be sold pursuant to § 4.1-304. *Notwithstanding the foregoing, tasting events conducted in*
71 *government stores established by the Board on a distiller's licensed premises shall be without limitation*
72 *of time of day, duration of tasting periods, or frequency of tastings poured per customer, provided no*
73 *customer is served in violation of § 4.1-304.* The Board shall establish guidelines governing tasting
74 events conducted pursuant to this subsection.

75 H. With respect to purchases by licensees at government stores, the Board shall (i) accept in payment
76 for any purchase or series of purchases cash, electronic fund transfer, credit or debit card, or check
77 payable to the Board, in the exact amount of any such purchase or series of purchases and (ii) provide
78 notice to licensees on Board policies relating to the assignment of government stores from which
79 licensees may purchase products and any procedure for the licensee to elect to make purchases from an
80 alternative government store.

81 I. With respect to purchases by consumers at government stores, the Board shall accept cash in
82 payment for any purchase or series of purchases. The Board may adopt regulations which provide for
83 accepting a credit card or debit card as payment. Such regulations may provide for the collection, where
84 appropriate, of related fees, penalties and service charges for the use of a credit card or debit card by
85 any consumer.

86 **§ 4.1-206. Alcoholic beverage licenses.**

87 The Board may grant the following licenses relating to alcoholic beverages generally:

88 1. Distillers' licenses, which shall authorize the licensee to manufacture alcoholic beverages other
89 than wine and beer, and to sell and deliver or ship the same, in accordance with Board regulations, in
90 closed containers, to the Board and to persons outside the Commonwealth for resale outside the
91 Commonwealth. *Such licensee shall also authorize the licensee to sell or give samples of alcoholic*
92 *beverages of the type specified in the license in designated areas at events held by the licensee for the*
93 *purpose of featuring and educating the consuming public about the alcoholic beverages being tasted.*
94 *Samples of alcoholic beverages given or sold by a licensee shall not exceed two ounces per person of*
95 *each product tasted, provided that in the case of spirits, no more than two products shall be offered.*

96 When the Board has established a government store on the distiller's licensed premises pursuant to
97 subsection D of § 4.1-119, such license shall also authorize the licensee to make a charge to consumers
98 to participate in an organized tasting event conducted in accordance with subsection G of § 4.1-119 and
99 Board regulations.

100 2. Fruit distillers' licenses, which shall authorize the licensee to manufacture any alcoholic beverages
101 made from fruit or fruit juices, and to sell and deliver or ship the same, in accordance with Board
102 regulations, in closed containers, to the Board and to persons outside the Commonwealth for resale
103 outside the Commonwealth.

104 3. Banquet facility licenses to volunteer fire departments and volunteer rescue squads, which shall
105 authorize the licensee to permit the consumption of lawfully acquired alcoholic beverages on the
106 premises of the licensee by any person, and bona fide members and guests thereof, otherwise eligible for
107 a banquet license. However, lawfully acquired alcoholic beverages shall not be purchased or sold by the
108 licensee or sold or charged for in any way by the person permitted to use the premises. Such premises
109 shall be a fire or rescue squad station or both, regularly occupied as such and recognized by the
110 governing body of the county, city or town in which it is located. Under conditions as specified by
111 Board regulation, such premises may be other than a fire or rescue squad station, provided such other
112 premises are occupied and under the control of the fire department or rescue squad while the privileges
113 of its license are being exercised.

114 4. Bed and breakfast licenses, which shall authorize the licensee to serve alcoholic beverages in
115 dining areas, private guest rooms and other designated areas to persons to whom overnight lodging is
116 being provided, with or without meals, for on-premises consumption only in such rooms and areas, and
117 without regard to the amount of gross receipts from the sale of food prepared and consumed on the
118 premises.

119 5. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages
120 of the type specified in the license in designated areas at events held by the licensee. A tasting license

shall be issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be required for conduct authorized by § 4.1-201.1.

6. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 501(c)(3) of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof. However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

7. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt and steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt and steeplechase events and (ii) exercised on no more than four calendar days per year.

8. Day spa licenses, which shall authorize the licensee to (i) permit the consumption of lawfully acquired wine or beer on the premises of the licensee by any bona fide customer of the day spa and (ii) serve wine or beer on the premises of the licensee to any such bona fide customer; however, the licensee shall not give more than two five-ounce glasses of wine or one 12-ounce glass of beer to any such customer, nor shall it sell or otherwise charge a fee to such customer for the wine or beer served or consumed. The privileges of this license shall be limited to the premises of the day spa regularly occupied and utilized as such.

9. Motor car sporting event facility licenses, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly or indirectly, by the licensee. The privileges of this license shall be limited to those areas of the licensee's premises designated by the Board that are regularly occupied and utilized for motor car sporting events.

10. Meal-assembly kitchen license, which shall authorize the licensee to serve wine or beer on the premises of the licensee to any such bona fide customer attending either a private gathering or a special event; however, the licensee shall not give more than two five-ounce glasses of wine or two 12-ounce glasses of beer to any such customer, nor shall it sell or otherwise charge a fee to such customer for the wine or beer served or consumed. The privileges of this license shall be limited to the premises of the meal-assembly kitchen regularly occupied and utilized as such.

11. Canal boat operator license, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide customer attending either a private gathering or a special event; however, the licensee shall not sell or otherwise charge a fee to such customer for the alcoholic beverages so consumed. The privileges of this license shall be limited to the premises of the licensee, including the canal, the canal boats while in operation, and any pathways adjacent thereto. Upon authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license.

12. *Distillers' special event license, which shall authorize a licensed distiller to permit the consumption of lawfully acquired alcoholic beverages on the premises of the licensed distillery by any bona fide customer to whom alcoholic beverages may lawfully be sold attending either a private gathering or special event. The privileges of this license shall be limited to the premises of the licensed distillery, the distillery store, and federally nonbonded space. Upon authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license.*

§ 4.1-231. Taxes on state licenses.

A. The annual fees on state licenses shall be as follows:

1. Alcoholic beverage licenses. For each:

a. Distiller's license, if not more than 5,000 gallons of alcohol or spirits, or both, manufactured during the year in which the license is granted, \$450; and if more than 5,000 gallons manufactured during such year, \$3,725;

b. Fruit distiller's license, \$3,725;

c. Banquet facility license or museum license, \$190;

d. Bed and breakfast establishment license, \$35;

e. Tasting license, \$40 per license granted;

f. Equine sporting event license, \$130;

- 182 g. Motor car sporting event facility license, \$130;
183 h. Day spa license, \$100;
184 i. Delivery permit, \$120 if the permittee holds no other license under this title;
185 j. Meal-assembly kitchen license, \$100; ~~and~~
186 k. Canal boat operator license, \$100; *and*
187 l. *Distillers' special event license, \$560.*
188 2. Wine licenses. For each:
189 a. Winery license, if not more than 5,000 gallons of wine manufactured during the year in which the
190 license is granted, \$189, and if more than 5,000 gallons manufactured during such year, \$3,725;
191 b. (1) Wholesale wine license, \$185 for any wholesaler who sells 30,000 gallons of wine or less per
192 year, \$930 for any wholesaler who sells more than 30,000 gallons per year but not more than 150,000
193 gallons of wine per year, \$1,430 for any wholesaler who sells more than 150,000 but not more than
194 300,000 gallons of wine per year, and, \$1,860 for any wholesaler who sells more than 300,000 gallons
195 of wine per year;
196 (2) Wholesale wine license, including that granted pursuant to § 4.1-207.1, applicable to two or more
197 premises, the annual state license tax shall be the amount set forth in subdivision b (1), multiplied by
198 the number of separate locations covered by the license;
199 c. Wine importer's license, \$370;
200 d. Retail off-premises winery license, \$145, which shall include a delivery permit;
201 e. Farm winery license, \$190 for any Class A license and \$3,725 for any Class B license, each of
202 which shall include a delivery permit;
203 f. Wine shipper's license, \$95; and
204 g. Internet wine retailer license, \$150.
205 3. Beer licenses. For each:
206 a. Brewery license, if not more than 10,000 barrels of beer manufactured during the year in which
207 the license is granted, \$2,150, and if more than 10,000 barrels manufactured during such year, \$4,300;
208 b. Bottler's license, \$1,430;
209 c. (1) Wholesale beer license, \$930 for any wholesaler who sells 300,000 cases of beer a year or
210 less, and \$1,430 for any wholesaler who sells more than 300,000 but not more than 600,000 cases of
211 beer a year, and \$1,860 for any wholesaler who sells more than 600,000 cases of beer a year;
212 (2) Wholesale beer license applicable to two or more premises, the annual state license tax shall be
213 the amount set forth in subdivision c (1), multiplied by the number of separate locations covered by the
214 license;
215 d. Beer importer's license, \$370;
216 e. Retail on-premises beer license to a hotel, restaurant, club or other person, except a common
217 carrier of passengers by train or boat, \$145; for each such license to a common carrier of passengers by
218 train or boat, \$145 per annum for each of the average number of boats, dining cars, buffet cars or club
219 cars operated daily in the Commonwealth;
220 f. Retail off-premises beer license, \$120, which shall include a delivery permit;
221 g. Retail on-and-off premises beer license to a hotel, restaurant, club or grocery store located in a
222 town or in a rural area outside the corporate limits of any city or town, \$300, which shall include a
223 delivery permit;
224 h. Beer shipper's license, \$95; and
225 i. Retail off-premises brewery license, \$120, which shall include a delivery permit.
226 4. Wine and beer licenses. For each:
227 a. Retail on-premises wine and beer license to a hotel, restaurant, club or other person, except a
228 common carrier of passengers by train, boat or airplane, \$300; for each such license to a common
229 carrier of passengers by train or boat, \$300 per annum for each of the average number of boats, dining
230 cars, buffet cars or club cars operated daily in the Commonwealth, and for each such license granted to
231 a common carrier of passengers by airplane, \$750;
232 b. Retail on-premises wine and beer license to a hospital, \$145;
233 c. Retail off-premises wine and beer license, including each gift shop, gourmet shop and convenience
234 grocery store license, \$230, which shall include a delivery permit;
235 d. Retail on-and-off premises wine and beer license to a hotel, restaurant or club, \$600, which shall
236 include a delivery permit;
237 e. Banquet license, \$40 per license granted by the Board, except for banquet licenses granted by the
238 Board pursuant to subsection A of § 4.1-215 for events occurring on more than one day, which shall be
239 \$100 per license;
240 f. Gourmet brewing shop license, \$230;
241 g. Wine and beer shipper's license, \$95;
242 h. Annual banquet license, \$150;
243 i. Fulfillment warehouse license, \$120;

- j. Marketing portal license, \$150; and
 k. Gourmet oyster house license, \$230.
 5. Mixed beverage licenses. For each:
 a. Mixed beverage restaurant license granted to persons operating restaurants, including restaurants located on premises of and operated by hotels or motels, or other persons:
 (i) With a seating capacity at tables for up to 100 persons, \$560;
 (ii) With a seating capacity at tables for more than 100 but not more than 150 persons, \$975; and
 (iii) With a seating capacity at tables for more than 150 persons, \$1,430.
 b. Mixed beverage restaurant license for restaurants located on the premises of and operated by private, nonprofit clubs:
 (i) With an average yearly membership of not more than 200 resident members, \$750;
 (ii) With an average yearly membership of more than 200 but not more than 500 resident members, \$1,860; and
 (iii) With an average yearly membership of more than 500 resident members, \$2,765.
 c. Mixed beverage caterer's license, \$1,860;
 d. Mixed beverage limited caterer's license, \$500;
 e. Mixed beverage special events license, \$45 for each day of each event;
 f. Mixed beverage club events licenses, \$35 for each day of each event;
 g. Annual mixed beverage special events license, \$560;
 h. Mixed beverage carrier license:
 (i) \$190 for each of the average number of dining cars, buffet cars or club cars operated daily in the Commonwealth by a common carrier of passengers by train;
 (ii) \$560 for each common carrier of passengers by boat;
 (iii) \$1,475 for each license granted to a common carrier of passengers by airplane.
 i. Annual mixed beverage amphitheater license, \$560;
 j. Annual mixed beverage motor sports race track license, \$560;
 k. Annual mixed beverage banquet license, \$500;
 l. Limited mixed beverage restaurant license:
 (i) With a seating capacity at tables for up to 100 persons, \$460;
 (ii) With a seating capacity at tables for more than 100 but not more than 150 persons, \$875;
 (iii) With a seating capacity at tables for more than 150 persons, \$1,330;
 m. Annual mixed beverage motor sports facility license, \$560; and
 n. Annual mixed beverage performing arts facility license, \$560.
 6. Temporary licenses. For each temporary license authorized by § 4.1-211, one-half of the tax imposed by this section on the license for which the applicant applied.
 B. The tax on each such license, except banquet and mixed beverage special events licenses, shall be subject to proration to the following extent: If the license is granted in the second quarter of any year, the tax shall be decreased by one-fourth; if granted in the third quarter of any year, the tax shall be decreased by one-half; and if granted in the fourth quarter of any year, the tax shall be decreased by three-fourths.
 If the license on which the tax is prorated is a distiller's license to manufacture not more than 5,000 gallons of alcohol or spirits, or both, during the year in which the license is granted, or a winery license to manufacture not more than 5,000 gallons of wine during the year in which the license is granted, the number of gallons permitted to be manufactured shall be prorated in the same manner.
 Should the holder of a distiller's license or a winery license to manufacture not more than 5,000 gallons of alcohol or spirits, or both, or wine, apply during the license year for an unlimited distiller's or winery license, such person shall pay for such unlimited license a license tax equal to the amount that would have been charged had such license been applied for at the time that the license to manufacture less than 5,000 gallons of alcohol or spirits or wine, as the case may be, was granted, and such person shall be entitled to a refund of the amount of license tax previously paid on the limited license.
 Notwithstanding the foregoing, the tax on each license granted or reissued for a period of less than 12 months shall be equal to one-twelfth of the taxes required by subsection A computed to the nearest cent, multiplied by the number of months in the license period.
 C. Nothing in this chapter shall exempt any licensee from any state merchants' license or state restaurant license or any other state tax. Every licensee, in addition to the taxes imposed by this chapter, shall be liable to state merchants' license taxation and state restaurant license taxation and other state taxation the same as if the alcoholic beverages were nonalcoholic. In ascertaining the liability of a beer wholesaler to merchants' license taxation, however, and in computing the wholesale merchants' license tax on a beer wholesaler, the first \$163,800 of beer purchases shall be disregarded; and in ascertaining the liability of a wholesale wine distributor to merchants' license taxation, and in computing the wholesale merchants' license tax on a wholesale wine distributor, the first \$163,800 of wine purchases

shall be disregarded.

§ 4.1-233. Taxes on local licenses.

A. In addition to the state license taxes, the annual local license taxes which may be collected shall not exceed the following sums:

1. Alcoholic beverages. - For each:

a. Distiller's license, \$1,000; no local license shall be required for any person who manufactures not more than 5,000 gallons of alcohol or spirits, or both, during such license year;

b. Fruit distiller's license, \$1,500;

c. Bed and breakfast establishment license, \$40;

d. Museum license, \$10;

e. Tasting license, \$5 per license granted;

f. Equine sporting event license, \$10;

g. Day spa license, \$20;

h. Motor car sporting event facility license, \$10;

i. Meal-assembly kitchen license, \$20; ~~and~~

j. Canal boat operator license, \$20; *and*

k. *Distillers' special event license, \$75.*

2. Beer. - For each:

a. Brewery license, \$1,000;

b. Bottler's license, \$500;

c. Wholesale beer license, in a city, \$250, and in a county or town, \$75;

d. Retail on-premises beer license for a hotel, restaurant or club and for each retail off-premises beer license in a city, \$100, and in a county or town, \$25; and

e. Beer shipper's license, \$10.

3. Wine. - For each:

a. Winery license, \$50;

b. Wholesale wine license, \$50;

c. Farm winery license, \$50; and

d. Wine shipper's license, \$10.

4. Wine and beer. - For each:

a. Retail on-premises wine and beer license for a hotel, restaurant or club; and for each retail off-premises wine and beer license, including each gift shop, gourmet shop and convenience grocery store license, in a city, \$150, and in a county or town, \$37.50;

b. Hospital license, \$10;

c. Banquet license, \$5 for each license granted, except for banquet licenses granted by the Board pursuant to subsection A of § 4.1-215 for events occurring on more than one day, which shall be \$20 per license;

d. Gourmet brewing shop license, \$150;

e. Wine and beer shipper's license, \$10;

f. Annual banquet license, \$15; and

g. Gourmet oyster house license, in a city, \$150, and in a county or town, \$37.50.

5. Mixed beverages. - For each:

a. Mixed beverage restaurant license, including restaurants located on the premises of and operated by hotels or motels, or other persons:

(i) With a seating capacity at tables for up to 100 persons, \$200;

(ii) With a seating capacity at tables for more than 100 but not more than 150 persons, \$350; and

(iii) With a seating capacity at tables for more than 150 persons, \$500.

b. Private, nonprofit club operating a restaurant located on the premises of such club, \$350;

c. Mixed beverage caterer's license, \$500;

d. Mixed beverage limited caterer's license; \$100;

e. Mixed beverage special events licenses, \$10 for each day of each event;

f. Mixed beverage club events licenses, \$10 for each day of each event;

g. Annual mixed beverage amphitheater license, \$300;

h. Annual mixed beverage motor sports race track license, \$300;

i. Annual mixed beverage banquet license, \$75;

j. Limited mixed beverage restaurant license:

(i) With a seating capacity at tables for up to 100 persons, \$100;

(ii) With a seating capacity at tables for more than 100 but not more than 150 persons, \$250;

(iii) With a seating capacity at tables for more than 150 persons, \$400;

k. Annual mixed beverage motor sports facility license, \$300; and

l. Annual mixed beverage performing arts facility license; \$300.

B. Common carriers. - No local license tax shall be either charged or collected for the privilege of

367 selling alcoholic beverages in (i) passenger trains, boats or airplanes and (ii) rooms designated by the
368 Board of establishments of air carriers of passengers at airports in the Commonwealth for on-premises
369 consumption only.

370 C. Merchants' and restaurants' license taxes. - The governing body of each county, city or town in
371 the Commonwealth, in imposing local wholesale merchants' license taxes measured by purchases, local
372 retail merchants' license taxes measured by sales, and local restaurant license taxes measured by sales,
373 may include alcoholic beverages in the base for measuring such local license taxes the same as if the
374 alcoholic beverages were nonalcoholic. No local alcoholic beverage license authorized by this chapter
375 shall exempt any licensee from any local merchants' or local restaurant license tax, but such local
376 merchants' and local restaurant license taxes may be in addition to the local alcoholic beverage license
377 taxes authorized by this chapter.

378 The governing body of any county, city or town, in adopting an ordinance under this section, shall
379 provide that in ascertaining the liability of (i) a beer wholesaler to local merchants' license taxation
380 under the ordinance, and in computing the local wholesale merchants' license tax on such beer
381 wholesaler, purchases of beer up to a stated amount shall be disregarded, which stated amount shall be
382 the amount of beer purchases which would be necessary to produce a local wholesale merchants' license
383 tax equal to the local wholesale beer license tax paid by such wholesaler and (ii) a wholesale wine
384 licensee to local merchants' license taxation under the ordinance, and in computing the local wholesale
385 merchants' license tax on such wholesale wine licensee, purchases of wine up to a stated amount shall
386 be disregarded, which stated amount shall be the amount of wine purchases which would be necessary
387 to produce a local wholesale merchants' license tax equal to the local wholesale wine licensee license tax
388 paid by such wholesale wine licensee.

389 D. Delivery. - No county, city or town shall impose any local alcoholic beverages license tax on any
390 wholesaler for the privilege of delivering alcoholic beverages in the county, city or town when such
391 wholesaler maintains no place of business in such county, city or town.

392 E. Application of county tax within town. - Any county license tax imposed under this section shall
393 not apply within the limits of any town located in such county, where such town now, or hereafter,
394 imposes a town license tax on the same privilege.