

Wines and
Distilled Spirits
and Beers,
Oh My!

There's No Place Like Your
Winery to Add
a Brewery and a Distillery.

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What can
you do
where?

	WINERY	BREWERY	DISTILLERY
Make it	YES!	YES!	YES!
Buy bulk and bottle it	YES!	Nope	Negative
Buy finished, packaged product and sell it	YES!	Not a chance	Are you kidding
Sell for on-premises consumption	YES!-Unlimited	YES!-5000 barrels*/year**	YES!-3000 gallons/year
Sell for off-premises consumption	YES!-35,000 gallons/year**	YES!-5000 barrels/year** @ 2 cases/person/day	YES! 3500 gallons/year @ 2 bottles/person/month
Ship/deliver	YES!-35,000 gallons/year**	Out of the question	Don't even think about it
Sell wine, beer, and distilled spirits in the tasting room	YES!	YES!	YES!
Sell and ship to consumers in other states	Yes, with the right permit.	Probably not.	Probably not.
*31 gallons in a barrel			
** combined total			

Let's pause for a second to talk about “beer” and “ale”

Beer

- Not more than 5.1% alcohol by volume
- Made by a manufacturer
- Who holds a TABC manufacturer's license and a TTB brewer's notice

Ale

- More than 5.1% alcohol by volume
- Made by a brewer
- Who holds a TABC brewer's permit and a TTB brewer's notice

Except where the difference matters, this presentation will refer to both as “beer” and the place where you make both as a “brewery.”

Local Option Requirements

- **Winery**—Not applicable. A winery can be located in a dry area where the sale of alcoholic beverages is otherwise prohibited.
- **Brewery**—Sale of beer and ale authorized for off and on premises consumption authorized, but not only for on premises with a food and beverage certificate unless you qualify.
- **Distillery**—Sale of distilled spirits for off and on premises consumption authorized.

TABC and Local Application Fees

	TABC	City	County
Manufacturer's License	\$2151	\$750	\$750
Brewer's Permit	\$3576	\$1500	\$1500
Distiller's & Rectifier's Permit	\$3350	\$1500	\$1500

State and Federal Excise Taxes

	State	Federal Current Lowest Rate
Beer	\$0.19/ gallon	\$3.50/ barrel
Ale	\$0.20/ gallon	\$3.50/ barrel
Distilled Spirits	\$2.40/ gallon	\$2.70/ proof gallon
Wine	\$0.20-\$0.52/ gallon	\$1.07-\$3.30/ gallon

Manufacturing

- Unlike wineries, breweries and distilleries cannot buy finished product from other suppliers for resale.
- They must manufacture and package what they sell on the premises.
- Distilleries do not have to distill. They may receive bulk distilled spirits from a supplier for aging or further rectification.

If I haven't **scared** you off,
let's talk about the
application process.

Before we get to TTB and TABC:



Check on the local option status



Check on local zoning and use

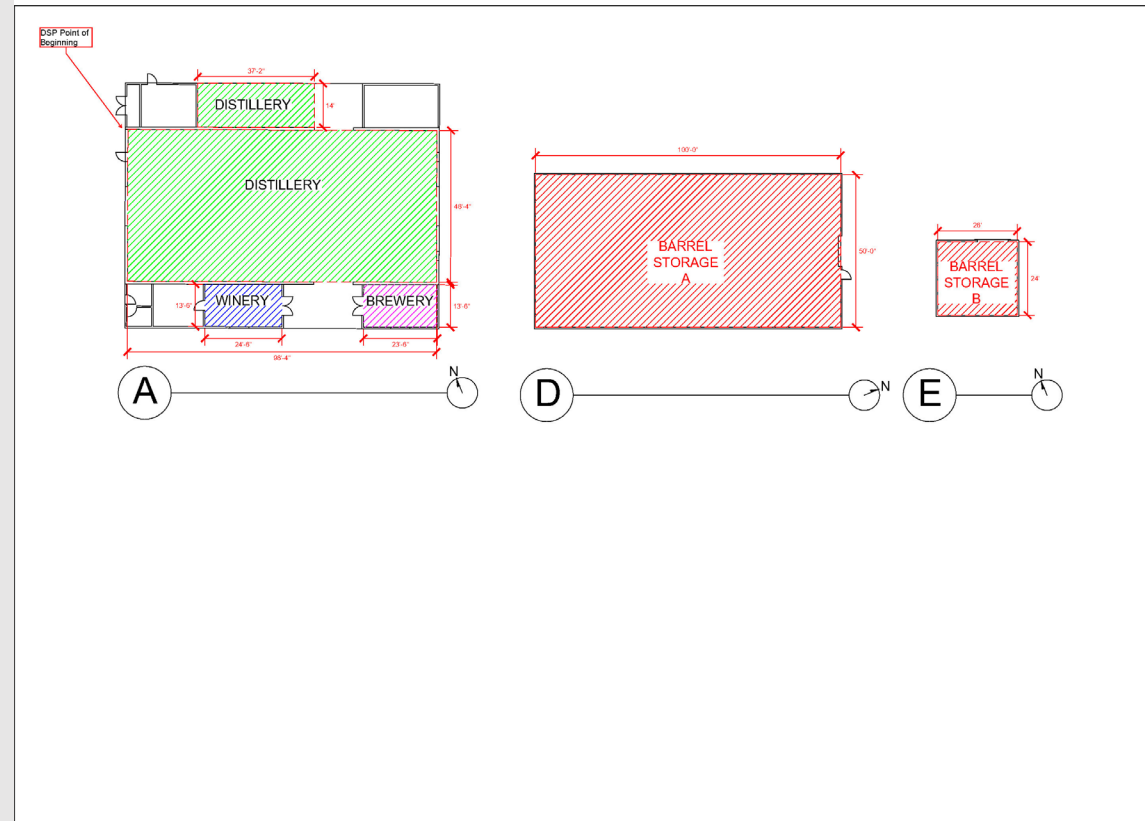
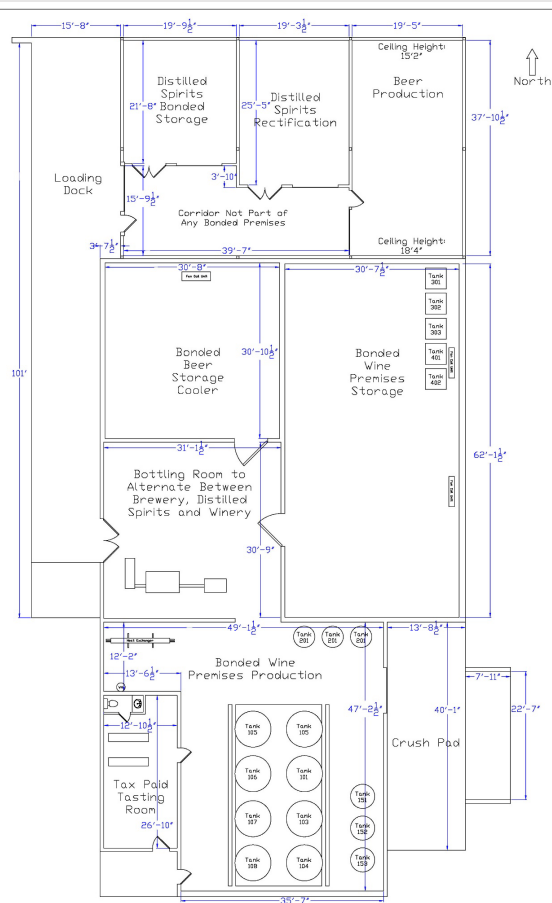


Check on proximity to schools, churches,
and public hospitals



Meet with the fire marshal *in person* to
discuss fire suppression requirements for
your distillery

Federal Permitting: To Alternate or Not to Alternate



What you'll need for TTB

- Diagram.
- Lease, with authority to produce distilled spirits/beer.
- List of distillery equipment-stills, tanks, and condensers with serial numbers, use, and capacity.
- Distilled spirits storage and production capacity.
- Beer production expectations.
- Will you be a TTB brewery or a brewpub?
- Have you made any owner or officer changes? Report those now, too.
- TTB is taking 80 to 100 days.

What you'll need for TABC

- Post a notice sign.
- Publish notice in the newspaper.
- Get comptroller certification.
- Get city and county certification.
- Compile a complete application, reporting owner and officer changes, if any.
- Mail notice to residences 7-14 days before you file the TABC application.
- You do not need the TTB permits to get the TABC permits.
- TABC is taking about 60 days.

And if all of this has
made you change your
mind about adding a
brewery and distillery,
there's always ...



BYOB
BYOB
BYOB
BYOB
BYOB

Questions?

(Other than, “How does this make any dang sense?”)





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