MICHIGAN LIQUOR CONTROL CODE OF 1998 (EXCERPT) Act 58 of 1998

436.1203b Sale and delivery of mixed spirit drink by mixed spirt drink manufacturer or substantially-equivalent out-of-state entity to retailer; requirements.

Sec. 203b. Notwithstanding anything in this act to the contrary, a mixed spirit drink manufacturer or an out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer may sell and deliver mixed spirit drink that it manufactures to a retailer in this state only if all of the following conditions are met:

- (a) The retailer is not located in a sales territory for which the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer has granted exclusive sales rights to a wholesaler under section 307 for the sale of any brand or brands of mixed spirit drink produced by the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer.
- (b) The mixed spirit drink is sold and delivered by an employee of the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer, not an agent, and is transported and delivered using a vehicle owned by the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer.
- (c) The mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer is in compliance with applicable state and federal law and applicable regulatory provisions of this act and rules promulgated by the commission under this act related to each of the following:
 - (i) Employees that sell and deliver mixed spirit drink to retailers.
 - (ii) Vehicles used to deliver mixed spirit drink to retailers.
 - (iii) Price schedules and temporary price reductions.
 - (iv) 1976 IL 1, MCL 445.571 to 445.576.
 - (v) Labeling and registration of mixed spirit drink.
 - (vi) Payment of taxes.
- (d) The mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer sells not more than 31,000 gallons of mixed spirit drink total per year. In determining the 31,000-gallon threshold under this subdivision, all brands and labels of a mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer, whether sold to a wholesaler or a retailer in this state or outside of this state, must be combined. Sales to consumers on the licensed premises of the mixed spirit drink manufacturer or out-of-state entity that is the substantial equivalent of a mixed spirit drink manufacturer are not included in determining the 31,000-gallon threshold under this subdivision.

History: Add. 2021, Act 17, Eff. Aug. 23, 2021.