

SENATE BILL No. 448

September 9, 2015, Introduced by Senator PROOS and referred to the Committee on Regulatory Reform.

A bill to amend 1998 PA 58, entitled
"Michigan liquor control code of 1998,"
by amending section 233 (MCL 436.1233).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 233. (1) The commission shall establish uniform prices
2 for the sale of alcoholic liquor ~~in state liquor stores and by~~
3 specially designated distributors. The prices ~~shall~~ **MUST** return a
4 gross profit to the commission of not less than 51% and not greater
5 than 65%. If alcoholic liquor purchased by the commission has not
6 met sales standards established by the commission for a period of 6
7 months, the commission may sell the alcoholic liquor at a price to
8 be approved by the state administrative board.

9 (2) Notwithstanding subsection (1), the commission may
10 establish by rule prices for the sale of alcoholic liquor to
11 hospitals, charitable institutions, and military establishments

1 located in this state.

2 (3) ~~There shall be allowed a discount of 17% deducted from the~~
3 ~~sale price established by the commission on the sale of~~ **SPECIALLY**
4 **DESIGNATED DISTRIBUTORS AND ON-PREMISES LICENSEES ARE ENTITLED TO A**
5 **17% DISCOUNT FROM THE UNIFORM PRICE DESCRIBED UNDER SUBSECTION (1)**
6 **ON alcoholic liquor made by the** ~~PURCHASED FROM THIS~~ state. ~~liquor~~
7 ~~stores to specially designated distributors and establishments~~
8 ~~licensed to sell for consumption on the premises.~~

9 (4) **SUBJECT TO THE LIMITATION PROVIDED IN THIS SUBSECTION, ON**
10 **REQUEST OF A DISTILLER OR SMALL DISTILLER AND, ON A FORM PRESCRIBED**
11 **BY THE COMMISSION, THE COMMISSION SHALL PAY THE DISTILLER OR SMALL**
12 **DISTILLER 2/3 OF THE GROSS PROFIT DESCRIBED IN SUBSECTION (1) THAT**
13 **THE COMMISSION RECEIVED IN A CALENDAR YEAR ON THE SALE OF SPIRITS**
14 **MANUFACTURED BY THE DISTILLER OR SMALL DISTILLER. THE PAYMENT**
15 **DESCRIBED IN THIS SUBSECTION ONLY APPLIES TO THE FIRST 60,000**
16 **GALLONS OF SPIRITS SOLD IN THE CALENDAR YEAR THAT WERE MANUFACTURED**
17 **BY THE DISTILLER OR SMALL DISTILLER. A DISTILLER OR SMALL DISTILLER**
18 **SHALL FILE THE REQUEST NOT LATER THAN APRIL 15 OF THE YEAR AFTER**
19 **THE CALENDAR YEAR FOR WHICH THE PAYMENT IS REQUESTED. THE**
20 **COMMISSION SHALL MAKE THE PAYMENT TO THE DISTILLER OR SMALL**
21 **DISTILLER WITHIN 90 DAYS AFTER RECEIPT OF A REQUEST UNDER THIS**
22 **SUBSECTION.**

23 Enacting section 1. This amendatory act takes effect 90 days
24 after the date it is enacted into law.