

SENATE BILL NO. _____ HOUSE BILL NO. _____

1 A BILL to amend and reenact §§ 4.1-100, 4.1-206, 4.1-231, and 4.1-233 of the Code of Virginia,
2 relating to alcoholic beverage control; limited service license.

3 **Be it enacted by the General Assembly of Virginia:**

4 **1. That §§ 4.1-100, 4.1-206, 4.1-231, and 4.1-233 of the Code of Virginia are amended and**
5 **reenacted as follows:**

6 § 4.1-100. Definitions.

7 As used in this title unless the context requires a different meaning:

8 "Alcohol" means the product known as ethyl or grain alcohol obtained by distillation of any
9 fermented liquor, rectified either once or more often, whatever the origin, and shall include synthetic
10 ethyl alcohol, but shall not include methyl alcohol and alcohol completely denatured in accordance with
11 formulas approved by the government of the United States.

12 "Alcohol vaporizing device" means any device, machine, or process that mixes any alcoholic
13 beverages with pure oxygen or other gas to produce a vaporized product for the purpose of consumption
14 by inhalation.

15 "Alcoholic beverages" includes alcohol, spirits, wine, and beer, and any one or more of such
16 varieties containing one-half of one percent or more of alcohol by volume, including mixed alcoholic
17 beverages, and every liquid or solid, patented or not, containing alcohol, spirits, wine, or beer and
18 capable of being consumed by a human being. Any liquid or solid containing more than one of the four
19 varieties shall be considered as belonging to that variety which has the higher percentage of alcohol,
20 however obtained, according to the order in which they are set forth in this definition; except that beer
21 may be manufactured to include flavoring materials and other nonbeverage ingredients containing
22 alcohol, as long as no more than 49 percent of the overall alcohol content of the finished product is
23 derived from the addition of flavors and other nonbeverage ingredients containing alcohol for products
24 with an alcohol content of no more than six percent by volume; or, in the case of products with an

25 alcohol content of more than six percent by volume, as long as no more than one and one-half percent of
26 the volume of the finished product consists of alcohol derived from added flavors and other nonbeverage
27 ingredients containing alcohol.

28 "Barrel" means any container or vessel having a capacity of more than 43 ounces.

29 "Bed and breakfast establishment" means any establishment (i) having no more than 15
30 bedrooms; (ii) offering to the public, for compensation, transitory lodging or sleeping accommodations;
31 and (iii) offering at least one meal per day, which may but need not be breakfast, to each person to
32 whom overnight lodging is provided.

33 "Beer" means any alcoholic beverage obtained by the fermentation of an infusion or decoction of
34 barley, malt, and hops or of any similar products in drinkable water and containing one-half of one
35 percent or more of alcohol by volume.

36 "Board" means the Virginia Alcoholic Beverage Control Board.

37 "Bottle" means any vessel intended to contain liquids and having a capacity of not more than 43
38 ounces.

39 "Canal boat operator" means any nonprofit organization that operates tourism-oriented canal
40 boats for recreational purposes on waterways declared nonnavigable by the United States Congress
41 pursuant to 33 U.S.C. § 59ii.

42 "Club" means any private nonprofit corporation or association which is the owner, lessee, or
43 occupant of an establishment operated solely for a national, social, patriotic, political, athletic, or other
44 like purpose, but not for pecuniary gain, the advantages of which belong to all of the members. It also
45 means the establishment so operated. A corporation or association shall not lose its status as a club
46 because of the conduct of charitable gaming conducted pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.)
47 of Chapter 8 of Title 18.2 in which nonmembers participate frequently or in large numbers, provided
48 that no alcoholic beverages are served or consumed in the room where such charitable gaming is being
49 conducted while such gaming is being conducted and that no alcoholic beverages are made available
50 upon the premises to any person who is neither a member nor a bona fide guest of a member.

51 Any such corporation or association which has been declared exempt from federal and state
52 income taxes as one which is not organized and operated for pecuniary gain or profit shall be deemed a
53 nonprofit corporation or association.

54 "Container" means any barrel, bottle, carton, keg, vessel or other receptacle used for holding
55 alcoholic beverages.

56 "Convenience grocery store" means an establishment which (i) has an enclosed room in a
57 permanent structure where stock is displayed and offered for sale and (ii) maintains an inventory of
58 edible items intended for human consumption consisting of a variety of such items of the types normally
59 sold in grocery stores.

60 "Day spa" means any commercial establishment that offers to the public both massage therapy,
61 performed by persons certified in accordance with § 54.1-3029, and barbering or cosmetology services
62 performed by persons licensed in accordance with Chapter 7 (§ 54.1-700 et seq.) of Title 54.1.

63 "Designated area" means a room or area approved by the Board for on-premises licensees.

64 "Dining area" means a public room or area in which meals are regularly served.

65 "Establishment" means any place where alcoholic beverages of one or more varieties are
66 lawfully manufactured, sold, or used.

67 "Farm winery" means an establishment (i) located on a farm in the Commonwealth with a
68 producing vineyard, orchard, or similar growing area and with facilities for fermenting and bottling wine
69 on the premises where the owner or lessee manufactures wine that contains not more than 18 percent
70 alcohol by volume or (ii) located in the Commonwealth with a producing vineyard, orchard, or similar
71 growing area or agreements for purchasing grapes or other fruits from agricultural growers within the
72 Commonwealth, and with facilities for fermenting and bottling wine on the premises where the owner or
73 lessee manufactures wine that contains not more than 18 percent alcohol by volume. As used in this
74 definition, the terms "owner" and "lessee" shall include a cooperative formed by an association of
75 individuals for the purpose of manufacturing wine. In the event such cooperative is licensed as a farm
76 winery, the term "farm" as used in this definition includes all of the land owned or leased by the
77 individual members of the cooperative as long as such land is located in the Commonwealth.

78 "Gift shop" means any bona fide retail store selling, predominantly, gifts, books, souvenirs,
79 specialty items relating to history, original and handmade arts and products, collectibles, crafts, and
80 floral arrangements, which is open to the public on a regular basis. Such shop shall be a permanent
81 structure where stock is displayed and offered for sale and which has facilities to properly secure any
82 stock of wine or beer. Such shop may be located (i) on the premises or grounds of a government
83 registered national, state or local historic building or site or (ii) within the premises of a museum. The
84 Board shall consider the purpose, characteristics, nature, and operation of the shop in determining
85 whether it shall be considered a gift shop.

86 "Gourmet brewing shop" means an establishment which sells to persons to whom wine or beer
87 may lawfully be sold, ingredients for making wine or brewing beer, including packaging, and rents to
88 such persons facilities for manufacturing, fermenting and bottling such wine or beer.

89 "Gourmet shop" means an establishment provided with adequate inventory, shelving, and storage
90 facilities, where, in consideration of payment, substantial amounts of domestic and imported wines and
91 beers of various types and sizes and related products such as cheeses and gourmet foods are habitually
92 furnished to persons.

93 "Government store" means a store established by the Board for the sale of alcoholic beverages.

94 "Hotel" means any duly licensed establishment, provided with special space and accommodation,
95 where, in consideration of payment, food and lodging are habitually furnished to persons, and which has
96 four or more bedrooms. It shall also mean the person who operates such hotel.

97 "Interdicted person" means a person to whom the sale of alcoholic beverages is prohibited by
98 order pursuant to this title.

99 "Internet wine retailer" means a person who owns or operates an establishment with adequate
100 inventory, shelving, and storage facilities, where, in consideration of payment, internet or telephone
101 orders are taken and shipped directly to consumers and which establishment is not a retail store open to
102 the public.

103 "Intoxicated" means a condition in which a person has drunk enough alcoholic beverages to
104 observably affect his manner, disposition, speech, muscular movement, general appearance or behavior.

105 "Licensed" means the holding of a valid license issued by the Board.

106 "Licensee" means any person to whom a license has been granted by the Board.

107 "Limited service" means any commercial establishment that offers to the public for
108 compensation services to be used primarily for personal, family or household purposes. (M: remember
109 to check 54.1-700, def'n of esthetics.)

110 Limited service establishment" means any commercial establishment that offers personal
111 services to the public for compensation and where the provision of alcoholic beverages to bona fide
112 customers is incidental to the principle business purpose of the commercial establishment.

113 "Liqueur" means any of a class of highly flavored alcoholic beverages that do not exceed an
114 alcohol content of 25 percent by volume.

115 "Low alcohol beverage cooler" means a drink containing one-half of one percent or more of
116 alcohol by volume, but not more than seven and one-half percent alcohol by volume, and consisting of
117 spirits mixed with nonalcoholic beverages or flavoring or coloring materials; it may also contain water,
118 fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives or other similar products manufactured
119 by fermenting fruit or fruit juices. Low alcohol beverage coolers shall be treated as wine for all purposes
120 of this title; except that low alcohol beverage coolers shall not be sold in localities that have not
121 approved the sale of mixed beverages pursuant to § 4.1-124. In addition, low alcohol beverage coolers
122 shall not be sold for on-premises consumption other than by mixed beverage licensees.

123 "Meal-assembly kitchen" means any commercial establishment that offers its customers, for off-
124 premises consumption, ingredients for the preparation of meals and entrees in professional kitchen
125 facilities located at the establishment.

126 "Meals" means, for a mixed beverage license, an assortment of foods commonly ordered in bona
127 fide, full-service restaurants as principal meals of the day. Such restaurants shall include establishments
128 specializing in full course meals with a single substantial entree.

129 "Member of a club" means (i) a person who maintains his membership in the club by the
130 payment of monthly, quarterly, or annual dues in the manner established by the rules and regulations
131 thereof or (ii) a person who is a member of a bona fide auxiliary, local chapter, or squadron composed of

132 direct lineal descendants of a bona fide member, whether alive or deceased, of a national or international
133 organization to which an individual lodge holding a club license is an authorized member in the same
134 locality. It shall also mean a lifetime member whose financial contribution is not less than 10 times the
135 annual dues of resident members of the club, the full amount of such contribution being paid in advance
136 in a lump sum.

137 "Mixed beverage" or "mixed alcoholic beverage" means a drink composed in whole or in part of
138 spirits.

139 "Mixer" means any prepackaged ingredients containing beverages or flavoring or coloring
140 materials, and which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or
141 preservatives which are not commonly consumed unless combined with alcoholic beverages, whether or
142 not such ingredients contain alcohol. Such specialty beverage product shall be manufactured or
143 distributed by a Virginia corporation.

144 "Place or premises" means the real estate, together with any buildings or other improvements
145 thereon, designated in the application for a license as the place at which the manufacture, bottling,
146 distribution, use or sale of alcoholic beverages shall be performed, except that portion of any such
147 building or other improvement actually and exclusively used as a private residence.

148 "Public place" means any place, building, or conveyance to which the public has, or is permitted
149 to have, access, including restaurants, soda fountains, hotel dining areas, lobbies and corridors of hotels,
150 and any park, place of public resort or amusement, highway, street, lane, or sidewalk adjoining any
151 highway, street, or lane.

152 The term shall not include (i) hotel or restaurant dining areas or ballrooms while in use for
153 private meetings or private parties limited in attendance to members and guests of a particular group,
154 association or organization; (ii) restaurants licensed by the Board in office buildings or industrial or
155 similar facilities while such restaurant is closed to the public and in use for private meetings or parties
156 limited in attendance to employees and nonpaying guests of the owner or a lessee of all or part of such
157 building or facility; (iii) offices, office buildings or industrial facilities while closed to the public and in
158 use for private meetings or parties limited in attendance to employees and nonpaying guests of the

159 owner or a lessee of all or part of such building or facility; or (iv) private recreational or chartered boats
160 which are not licensed by the Board and on which alcoholic beverages are not sold.

161 "Residence" means any building or part of a building or structure where a person resides, but
162 does not include any part of a building which is not actually and exclusively used as a private residence,
163 nor any part of a hotel or club other than a private guest room thereof.

164 "Resort complex" means a facility (i) with a hotel owning year-round sports and recreational
165 facilities located contiguously on the same property or (ii) owned by a nonstock, nonprofit, taxable
166 corporation with voluntary membership which, as its primary function, makes available golf, ski and
167 other recreational facilities both to its members and the general public. The hotel or corporation shall
168 have a minimum of 140 private guest rooms or dwelling units contained on not less than 50 acres. The
169 Board may consider the purpose, characteristics, and operation of the applicant establishment in
170 determining whether it shall be considered as a resort complex. All other pertinent qualifications
171 established by the Board for a hotel operation shall be observed by such licensee.

172 "Restaurant" means, for a beer, or wine and beer license or a limited mixed beverage restaurant
173 license, any establishment provided with special space and accommodation, where, in consideration of
174 payment, meals or other foods prepared on the premises are regularly sold.

175 "Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant
176 license, an established place of business (i) where meals with substantial entrees are regularly sold and
177 (ii) which has adequate facilities and sufficient employees for cooking, preparing, and serving such
178 meals for consumption at tables in dining areas on the premises, and includes establishments
179 specializing in full course meals with a single substantial entree.

180 "Sale" and "sell" includes soliciting or receiving an order for; keeping, offering or exposing for
181 sale; peddling, exchanging or bartering; or delivering otherwise than gratuitously, by any means,
182 alcoholic beverages.

183 "Sangria" means a drink consisting of red or white wine mixed with some combination of
184 sweeteners, fruit, fruit juice, soda, or soda water that may also be mixed with brandy, triple sec, or other
185 similar spirits.

186 "Special agent" means an employee of the Department of Alcoholic Beverage Control whom the
187 Board has designated as a law-enforcement officer pursuant to § 4.1-105.

188 "Special event" means an event sponsored by a duly organized nonprofit corporation or
189 association and conducted for an athletic, charitable, civic, educational, political, or religious purpose.

190 "Spirits" means any beverage which contains alcohol obtained by distillation mixed with
191 drinkable water and other substances, in solution, and includes, among other things, brandy, rum,
192 whiskey, and gin, or any one or more of the last four named ingredients; but shall not include any such
193 liquors completely denatured in accordance with formulas approved by the United States government.

194 "Wine" means any alcoholic beverage obtained by the fermentation of the natural sugar content
195 of fruits or other agricultural products containing (i) sugar, including honey and milk, either with or
196 without additional sugar; (ii) one-half of one percent or more of alcohol by volume; and (iii) no product
197 of distillation. The term includes any wine to which wine spirits have been added, as provided in the
198 Internal Revenue Code, to make products commonly known as "fortified wine" which do not exceed an
199 alcohol content of 21 percent by volume.

200 "Wine cooler" means a drink containing one-half of one percent or more of alcohol by volume,
201 and not more than three and two-tenths percent of alcohol by weight or four percent by volume
202 consisting of wine mixed with nonalcoholic beverages or flavoring or coloring materials, and which may
203 also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives and shall include
204 other similar products manufactured by fermenting fruit or fruit juices. Wine coolers and similar
205 fermented fruit juice beverages shall be treated as wine for all purposes except for taxation under § 4.1-
206 236.

207 "With or without meals" means the selling and serving of alcoholic beverages by retail licensees
208 for on-premises consumption whether or not accompanied by food so long as the total food-beverage
209 ratio required by § 4.1-210, or the monthly food sale requirement established by Board regulation, is met
210 by such retail licensee.

211 § 4.1-206. Alcoholic beverage licenses.

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

213 1. Distillers' licenses, which shall authorize the licensee to manufacture alcoholic beverages other
214 than wine and beer, and to sell and deliver or ship the same, in accordance with Board regulations, in
215 closed containers, to the Board and to persons outside the Commonwealth for resale outside the
216 Commonwealth.

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

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

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

236 5. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic
237 beverages of the type specified in the license in designated areas at events held by the licensee. A tasting
238 license shall be issued for the purpose of featuring and educating the consuming public about the

239 alcoholic beverages being tasted. A separate license shall be required for each day of each tasting event.
240 No tasting license shall be required for conduct authorized by § 4.1-201.1.

241 6. Museum licenses, which may be issued to nonprofit museums exempt from taxation under §
242 501 (c) (3) of the Internal Revenue Code, which shall authorize the licensee to (i) permit the
243 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide
244 member and guests thereof and (ii) serve alcoholic beverages on the premises of the licensee to any bona
245 fide member and guests thereof. However, alcoholic beverages shall not be sold or charged for in any
246 way by the licensee. The privileges of this license shall be limited to the premises of the museum,
247 regularly occupied and utilized as such.

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

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

261 9. Motor car sporting event facility licenses, which shall authorize the licensee to permit the
262 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof
263 during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly
264 or indirectly, by the licensee. The privileges of this license shall be limited to those areas of the

265 licensee's premises designated by the Board that are regularly occupied and utilized for motor car
266 sporting events.

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

273 ~~11.~~ 9. Canal boat operator license, which shall authorize the licensee to permit the consumption
274 of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide customer
275 attending either a private gathering or a special event; however, the licensee shall not sell or otherwise
276 charge a fee to such customer for the alcoholic beverages so consumed. The privileges of this license
277 shall be limited to the premises of the licensee, including the canal, the canal boats while in operation,
278 and any pathways adjacent thereto. Upon authorization of the licensee, any person may keep and
279 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations
280 covered by the license.

281 10. Limited service licenses to:

282 A. Day spas, which shall authorize the licensee to serve wine or beer on the premises of the
283 licensee to any such bona fide customer; and

284 B. Meal-assembly kitchens, which shall authorize the licensee to serve wine or beer on the
285 premises of the licensee to any bona fide customer attending either a private gathering or a special event.

286 However, the licensee shall not give more than two five-ounce glasses of wine or two 12-ounce
287 glasses of beer to any such customer, nor shall it sell or otherwise charge a fee to such customer for the
288 wine or beer served or consumed. Food shall be available at substantially all hours that wine or beer is
289 served by the licensee. The privileges of this license shall be limited to the premises of the commercial
290 establishment regularly occupied and utilized as such by the licensee.

291 § 4.1-231. Taxes on state licenses.

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

293 1. Alcoholic beverage licenses. For each:

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

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

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

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

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

301 f. Equine sporting event license, \$130;

302 g. Motor car sporting event facility license, \$130;

303 ~~h. Day spa license, \$100;~~

304 ~~i. Delivery permit, \$120 if the permittee holds no other license under this title;~~

305 ~~j. Meal assembly kitchen license, \$100; and~~

306 ~~k. i. Canal boat operator license, \$100; and~~

307 ~~j. Limited service license, \$100.~~

308 2. Wine licenses. For each:

309 a. Winery license, if not more than 5,000 gallons of wine manufactured during the year in which
310 the license is granted, \$189, and if more than 5,000 gallons manufactured during such year, \$3,725;

311 b. (1) Wholesale wine license, \$185 for any wholesaler who sells 30,000 gallons of wine or less
312 per year, \$930 for any wholesaler who sells more than 30,000 gallons per year but not more than
313 150,000 gallons of wine per year, \$1,430 for any wholesaler who sells more than 150,000 but not more
314 than 300,000 gallons of wine per year, and, \$1,860 for any wholesaler who sells more than 300,000
315 gallons of wine per year;

316 (2) Wholesale wine license, including that granted pursuant to § 4.1-207.1, applicable to two or
317 more premises, the annual state license tax shall be the amount set forth in subdivision b (1), multiplied
318 by the number of separate locations covered by the license;

- 319 c. Wine importer's license, \$370;
- 320 d. Retail off-premises winery license, \$145, which shall include a delivery permit;
- 321 e. Farm winery license, \$190 for any Class A license and \$3,725 for any Class B license, each of
- 322 which shall include a delivery permit;
- 323 f. Wine shipper's license, \$65; and
- 324 g. Internet wine retailer license, \$150.
- 325 3. Beer licenses. For each:
- 326 a. Brewery license, if not more than 10,000 barrels of beer manufactured during the year in
- 327 which the license is granted, \$2,150, and if more than 10,000 barrels manufactured during such year,
- 328 \$4,300;
- 329 b. Bottler's license, \$1,430;
- 330 c. (1) Wholesale beer license, \$930 for any wholesaler who sells 300,000 cases of beer a year or
- 331 less, and \$1,430 for any wholesaler who sells more than 300,000 but not more than 600,000 cases of
- 332 beer a year, and \$1,860 for any wholesaler who sells more than 600,000 cases of beer a year;
- 333 (2) Wholesale beer license applicable to two or more premises, the annual state license tax shall
- 334 be the amount set forth in subdivision c (1), multiplied by the number of separate locations covered by
- 335 the license;
- 336 d. Beer importer's license, \$370;
- 337 e. Retail on-premises beer license to a hotel, restaurant, club or other person, except a common
- 338 carrier of passengers by train or boat, \$145; for each such license to a common carrier of passengers by
- 339 train or boat, \$145 per annum for each of the average number of boats, dining cars, buffet cars or club
- 340 cars operated daily in the Commonwealth;
- 341 f. Retail off-premises beer license, \$120, which shall include a delivery permit;
- 342 g. Retail on-and-off premises beer license to a hotel, restaurant, club or grocery store located in a
- 343 town or in a rural area outside the corporate limits of any city or town, \$300, which shall include a
- 344 delivery permit; and
- 345 h. Beer shipper's license, \$65.

346 4. Wine and beer licenses. For each:

347 a. Retail on-premises wine and beer license to a hotel, restaurant, club or other person, except a
348 common carrier of passengers by train, boat or airplane, \$300; for each such license to a common carrier
349 of passengers by train or boat, \$300 per annum for each of the average number of boats, dining cars,
350 buffet cars or club cars operated daily in the Commonwealth, and for each such license granted to a
351 common carrier of passengers by airplane, \$750;

352 b. Retail on-premises wine and beer license to a hospital, \$145;

353 c. Retail off-premises wine and beer license, including each gift shop, gourmet shop and
354 convenience grocery store license, \$230, which shall include a delivery permit;

355 d. Retail on-and-off premises wine and beer license to a hotel, restaurant or club, \$600, which
356 shall include a delivery permit;

357 e. Banquet license, \$40 per license granted by the Board, except for banquet licenses granted by
358 the Board pursuant to subsection A of § 4.1-215 for events occurring on more than one day, which shall
359 be \$100 per license;

360 f. Gourmet brewing shop license, \$230;

361 g. Wine and beer shipper's license, \$65; and

362 h. Annual banquet license, \$150.

363 5. Mixed beverage licenses. For each:

364 a. Mixed beverage restaurant license granted to persons operating restaurants, including
365 restaurants located on premises of and operated by hotels or motels, or other persons:

366 (i) With a seating capacity at tables for up to 100 persons, \$560;

367 (ii) With a seating capacity at tables for more than 100 but not more than 150 persons, \$975; and

368 (iii) With a seating capacity at tables for more than 150 persons, \$1,430.

369 b. Mixed beverage restaurant license for restaurants located on the premises of and operated by
370 private, nonprofit clubs:

371 (i) With an average yearly membership of not more than 200 resident members, \$750;

372 (ii) With an average yearly membership of more than 200 but not more than 500 resident
373 members, \$1,860; and

374 (iii) With an average yearly membership of more than 500 resident members, \$2,765.

375 c. Mixed beverage caterer's license, \$1,860;

376 d. Mixed beverage limited caterer's license, \$500;

377 e. Mixed beverage special events license, \$45 for each day of each event;

378 f. Mixed beverage club events licenses, \$35 for each day of each event;

379 g. Annual mixed beverage special events license, \$560;

380 h. Mixed beverage carrier license:

381 (i) \$190 for each of the average number of dining cars, buffet cars or club cars operated daily in
382 the Commonwealth by a common carrier of passengers by train;

383 (ii) \$560 for each common carrier of passengers by boat;

384 (iii) \$1,475 for each license granted to a common carrier of passengers by airplane.

385 i. Annual mixed beverage amphitheater license, \$560;

386 j. Annual mixed beverage motor sports race track license, \$560;

387 k. Annual mixed beverage banquet license, \$500; and

388 l. Limited mixed beverage restaurant license:

389 (i) With a seating capacity at tables for up to 100 persons, \$460;

390 (ii) With a seating capacity at tables for more than 100 but not more than 150 persons, \$875; and

391 (iii) With a seating capacity at tables for more than 150 persons, \$1,330.

392 6. Temporary licenses. For each temporary license authorized by § 4.1-211, one-half of the tax
393 imposed by this section on the license for which the applicant applied.

394 B. The tax on each such license, except banquet and mixed beverage special events licenses,
395 shall be subject to proration to the following extent: If the license is granted in the second quarter of any
396 year, the tax shall be decreased by one-fourth; if granted in the third quarter of any year, the tax shall be
397 decreased by one-half; and if granted in the fourth quarter of any year, the tax shall be decreased by
398 three-fourths.

399 If the license on which the tax is prorated is a distiller's license to manufacture not more than
400 5,000 gallons of alcohol or spirits, or both, during the year in which the license is granted, or a winery
401 license to manufacture not more than 5,000 gallons of wine during the year in which the license is
402 granted, the number of gallons permitted to be manufactured shall be prorated in the same manner.

403 Should the holder of a distiller's license or a winery license to manufacture not more than 5,000
404 gallons of alcohol or spirits, or both, or wine, apply during the license year for an unlimited distiller's or
405 winery license, such person shall pay for such unlimited license a license tax equal to the amount that
406 would have been charged had such license been applied for at the time that the license to manufacture
407 less than 5,000 gallons of alcohol or spirits or wine, as the case may be, was granted, and such person
408 shall be entitled to a refund of the amount of license tax previously paid on the limited license.

409 Notwithstanding the foregoing, the tax on each license granted or reissued for a period of less
410 than 12 months shall be equal to one-twelfth of the taxes required by subsection A computed to the
411 nearest cent, multiplied by the number of months in the license period.

412 C. Nothing in this chapter shall exempt any licensee from any state merchants' license or state
413 restaurant license or any other state tax. Every licensee, in addition to the taxes imposed by this chapter,
414 shall be liable to state merchants' license taxation and state restaurant license taxation and other state
415 taxation the same as if the alcoholic beverages were nonalcoholic. In ascertaining the liability of a beer
416 wholesaler to merchants' license taxation, however, and in computing the wholesale merchants' license
417 tax on a beer wholesaler, the first \$163,800 of beer purchases shall be disregarded; and in ascertaining
418 the liability of a wholesale wine distributor to merchants' license taxation, and in computing the
419 wholesale merchants' license tax on a wholesale wine distributor, the first \$163,800 of wine purchases
420 shall be disregarded.

421 § 4.1-233. Taxes on local licenses.

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

424 1. Alcoholic beverages. - For each:

- 425 a. Distiller's license, \$1,000; no local license shall be required for any person who manufactures
426 not more than 5,000 gallons of alcohol or spirits, or both, during such license year;
- 427 b. Fruit distiller's license, \$1,500;
- 428 c. Bed and breakfast establishment license, \$40;
- 429 d. Museum license, \$10;
- 430 e. Tasting license, \$5 per license granted;
- 431 f. Equine sporting event license, \$10;
- 432 g. ~~Day spa license, \$20;~~
- 433 ~~h. Motor car sporting event facility license, \$10;~~
- 434 ~~i. Meal assembly kitchen license, \$20; and~~
- 435 ~~j-h. Canal boat operator license, \$20; and~~
- 436 ~~i. Limited service license, \$20.~~
- 437 2. Beer. - For each:
- 438 a. Brewery license, \$1,000;
- 439 b. Bottler's license, \$500;
- 440 c. Wholesale beer license, in a city, \$250, and in a county or town, \$75;
- 441 d. Retail on-premises beer license for a hotel, restaurant or club and for each retail off-premises
442 beer license in a city, \$100, and in a county or town, \$25; and
- 443 e. Beer shipper's license, \$10.
- 444 3. Wine. - For each:
- 445 a. Winery license, \$50;
- 446 b. Wholesale wine license, \$50;
- 447 c. Farm winery license, \$50; and
- 448 d. Wine shipper's license, \$10.
- 449 4. Wine and beer. - For each:

- 450 a. Retail on-premises wine and beer license for a hotel, restaurant or club; and for each retail off-
451 premises wine and beer license, including each gift shop, gourmet shop and convenience grocery store
452 license, in a city, \$150, and in a county or town, \$37.50;
- 453 b. Hospital license, \$10;
- 454 c. Banquet license, \$5 for each license granted, except for banquet licenses granted by the Board
455 pursuant to subsection A of § 4.1-215 for events occurring on more than one day, which shall be \$20 per
456 license;
- 457 d. Gourmet brewing shop license, \$150;
- 458 e. Wine and beer shipper's license, \$10; and
- 459 f. Annual banquet license, \$15.
- 460 5. Mixed beverages. - For each:
- 461 a. Mixed beverage restaurant license, including restaurants located on the premises of and
462 operated by hotels or motels, or other persons:
- 463 (i) With a seating capacity at tables for up to 100 persons, \$200;
- 464 (ii) With a seating capacity at tables for more than 100 but not more than 150 persons, \$350; and
- 465 (iii) With a seating capacity at tables for more than 150 persons, \$500.
- 466 b. Private, nonprofit club operating a restaurant located on the premises of such club, \$350;
- 467 c. Mixed beverage caterer's license, \$500;
- 468 d. Mixed beverage limited caterer's license; \$100;
- 469 e. Mixed beverage special events licenses, \$10 for each day of each event;
- 470 f. Mixed beverage club events licenses, \$10 for each day of each event;
- 471 g. Annual mixed beverage amphitheater license, \$300;
- 472 h. Annual mixed beverage motor sports race track license, \$300;
- 473 i. Annual mixed beverage banquet license, \$75; and
- 474 j. Limited mixed beverage restaurant license:
- 475 (i) With a seating capacity at tables for up to 100 persons, \$100;
- 476 (ii) With a seating capacity at tables for more than 100 but not more than 150 persons, \$250; and

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

478 B. Common carriers. - No local license tax shall be either charged or collected for the privilege
479 of selling alcoholic beverages in (i) passenger trains, boats or airplanes and (ii) rooms designated by the
480 Board of establishments of air carriers of passengers at airports in the Commonwealth for on-premises
481 consumption only.

482 C. Merchants' and restaurants' license taxes. - The governing body of each county, city or town
483 in the Commonwealth, in imposing local wholesale merchants' license taxes measured by purchases,
484 local retail merchants' license taxes measured by sales, and local restaurant license taxes measured by
485 sales, may include alcoholic beverages in the base for measuring such local license taxes the same as if
486 the alcoholic beverages were nonalcoholic. No local alcoholic beverage license authorized by this
487 chapter shall exempt any licensee from any local merchants' or local restaurant license tax, but such
488 local merchants' and local restaurant license taxes may be in addition to the local alcoholic beverage
489 license taxes authorized by this chapter.

490 The governing body of any county, city or town, in adopting an ordinance under this section,
491 shall provide that in ascertaining the liability of (i) a beer wholesaler to local merchants' license taxation
492 under the ordinance, and in computing the local wholesale merchants' license tax on such beer
493 wholesaler, purchases of beer up to a stated amount shall be disregarded, which stated amount shall be
494 the amount of beer purchases which would be necessary to produce a local wholesale merchants' license
495 tax equal to the local wholesale beer license tax paid by such wholesaler and (ii) a wholesale wine
496 licensee to local merchants' license taxation under the ordinance, and in computing the local wholesale
497 merchants' license tax on such wholesale wine licensee, purchases of wine up to a stated amount shall be
498 disregarded, which stated amount shall be the amount of wine purchases which would be necessary to
499 produce a local wholesale merchants' license tax equal to the local wholesale wine licensee license tax
500 paid by such wholesale wine licensee.

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

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

507 **2. That any day spa or meal-assembly kitchen license issued before July 1, 2009 under the**
508 **provisions of former subdivision 8 or 10 of § 4.1-206, shall continue to be valid unless otherwise**
509 **suspended or revoked by the Alcoholic Beverage Control Board for violations of Title 4.1 or Board**
510 **regulations or any other cause authorized under Title 4.1. On and after July 1, 2009, such day spa**
511 **or meal-assembly kitchen licenses shall be deemed to be limited service licenses.**

512 **3. That all regulations adopted by the Alcoholic Beverage Control Board that are in effect on July**
513 **1, 2009 and pertain to the subject of this act, shall remain in full force and effect until altered,**
514 **amended or rescinded by the Alcoholic Beverage Control Board.**

515 **4. That the Alcoholic Beverage Control Board shall promulgate regulations to implement the**
516 **provisions of this act to be effective within 280 days of its enactment.**

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