

As Passed by the House

**130th General Assembly
Regular Session
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Sub. S. B. No. 48

Senator Balderson

Cosponsors: Senators Hite, Burke, Faber, Seitz

**Representatives Dovilla, Buchy, Gerberry, Cera, Clyde, Adams, R., Anielski,
Antonio, Baker, Barborak, Beck, Bishoff, Blair, Boose, Brown, Burkley,
Carney, Celebrezze, Damschroder, DeVitis, Foley, Grossman, Hackett,
Hagan, C., Hagan, R., Hall, Heard, Henne, Hill, Hottinger, Lynch, Maag,
McClain, McGregor, Milkovich, O'Brien, Pillich, Ramos, Retherford, Rogers,
Rosenberger, Scherer, Sears, Slesnick, Smith, Stinziano, Strahorn, Szollosi,
Wachtmann, Winburn, Young Speaker Batchelder**

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A B I L L

To amend sections 1333.84, 4301.24, 4301.47, 4303.02, 1
4303.021, 4303.06, 4303.20, 4303.29, 4303.33, and 2
4303.332 and to enact section 4303.022 of the 3
Revised Code to prohibit a distributor or 4
manufacturer of alcoholic beverages from taking 5
certain actions regarding the awarding or 6
acquiring of franchises or distribution 7
territories, to create the A-1c liquor permit for 8
beer manufacturers that produce beer below 9
specified quantities, to limit the A-1 liquor 10
permit to beer manufacturers that produce beer 11
above specified quantities, to alter requirements 12
related to the A-1 liquor permit, and to make 13
certain changes regarding liquor permit quotas. 14

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 1333.84, 4301.24, 4301.47, 4303.02, 15
4303.021, 4303.06, 4303.20, 4303.29, 4303.33, and 4303.332 be 16
amended and section 4303.022 of the Revised Code be enacted to 17
read as follows: 18

Sec. 1333.84. Notwithstanding the terms of any franchise, no 19
manufacturer or distributor engaged in the sale and distribution 20
of alcoholic beverages, or a subsidiary of any such manufacturer, 21
shall: 22

(A) Fail to act in good faith or without just cause in acting 23
or purporting to act under the terms of a franchise or in 24
cancelling or failing to renew a franchise; 25

(B) Award an additional franchise for the sale of the same 26
brand within the same sales area or territory. No franchise 27
prohibits a retail permit holder having permits at more than one 28
location from buying from one or more B-2 or B-5 permit holders, 29
even if all permit premises are not located in the same franchise 30
area or territory. Nothing contained in this division shall be 31
construed as modifying the provisions of section 4301.241 of the 32
Revised Code. Nothing contained in this division precludes a 33
manufacturer of wine from awarding a franchise, or requires a 34
manufacturer of wine to award a franchise, for the sale of a new 35
brand to any B-2 or B-5 permit holder. 36

(C) Require a distributor to submit profit and loss 37
statements, balance sheets, or financial records as a requirement 38
to retain its franchise; 39

(D) Without reasonable cause, withhold delivery of alcoholic 40
beverages ordered by a distributor, or change or amend a 41
distributor's quota of a manufacturer's product or brand; 42

(E) Coerce a distributor by any means to participate in or 43
contribute to any local or national advertising fund controlled 44

directly or indirectly by a manufacturer; 45

(F) Refuse to recognize the rights of surviving partners, 46
shareholders, or heirs and fail to act in good faith in accordance 47
with reasonable standards for fair dealing, with respect to the 48
distributor's right to sell, assign, transfer or otherwise dispose 49
of ~~his~~ the distributor's business, in all or in part, except that 50
the distributor shall have no right to sell, assign, or transfer 51
the franchise without the prior consent of the manufacturer, who 52
shall not unreasonably withhold ~~his~~ the manufacturer's consent. 53

(G)(1) On and after the effective date of this amendment, do 54
either of the following: 55

(a) Award a distribution franchise or territory to itself, to 56
a subsidiary, or to another entity in which it has any financial 57
interest, directly or indirectly, by stock ownership, or through 58
interlocking directors in a corporation, or otherwise, if that 59
franchise, territory, or portion of that territory has been 60
previously awarded, sold, assigned, or transferred to a 61
distributor; 62

(b) Acquire a franchise or territory if that franchise, 63
territory, or portion of that territory has been previously 64
awarded, sold, assigned, or transferred to a distributor. 65

(2) Division (G)(1) of this section does not prohibit a 66
manufacturer or subsidiary of a manufacturer from continuing to 67
operate a distribution franchise or distribute alcoholic beverages 68
within a designated territory if prior to the effective date of 69
this amendment the manufacturer either acquired the distribution 70
franchise or territory, or awarded the franchise or territory to 71
itself or a subsidiary. 72

(3) Division (G)(1) of this section does not, and shall not 73
be construed to, limit the actions that may be taken in accordance 74
with an A-1c permit under section 4303.022 of the Revised Code or 75

a B-2a permit under section 4303.071 of the Revised Code. 76

(4) Notwithstanding division (G)(1) of this section or any 77
permit requirement under sections 4303.06, 4303.07, 4303.071, 78
4303.08, 4303.09, and 4303.10 of the Revised Code, if a 79
distribution franchise is canceled or territory is substantially 80
changed by a manufacturer pursuant to either division (A)(1) or 81
(2) of section 1333.85 of the Revised Code, the manufacturer may 82
acquire or award itself the franchise or territory for not longer 83
than one hundred eighty days from the date of cancellation. After 84
the one hundred eighty day period, the manufacturer shall sell or 85
transfer the franchise or territory to a distributor in which the 86
manufacturer does not have any financial interest, directly or 87
indirectly, by stock ownership, or through interlocking directors 88
in a corporation, or otherwise. 89

Sec. 4301.24. (A) Except as provided in section 4301.242 of 90
the Revised Code, no manufacturer shall aid or assist the holder 91
of any permit for sale at wholesale, and no manufacturer or 92
wholesale distributor shall aid or assist the holder of any permit 93
for sale at retail, by gift or loan of any money or property of 94
any description or other valuable thing, or by giving premiums or 95
rebates. Except as provided in section 4301.242 of the Revised 96
Code, no holder of any such permit shall accept the same, provided 97
that the manufacturer or wholesale distributor may furnish to a 98
retail permittee the inside signs or advertising and the tap signs 99
or devices authorized by divisions (E) and (F) of section 4301.22 100
of the Revised Code. 101

(B) No manufacturer shall have any financial interest, 102
directly or indirectly, by stock ownership, or through 103
interlocking directors in a corporation, or otherwise, in the 104
establishment, maintenance, or promotion in the business of any 105
wholesale distributor. No retail permit holder shall have any 106

interest, directly or indirectly, in the operation of, or any 107
ownership in, the business of any wholesale distributor or 108
manufacturer. 109

(C)(1) No manufacturer shall, except as authorized by section 110
4303.021 of the Revised Code, have any financial interest, 111
directly or indirectly, by stock ownership, or through 112
interlocking directors in a corporation, or otherwise, in the 113
establishment, maintenance, or promotion of the business of any 114
retail dealer. No wholesale distributor or employee of a wholesale 115
distributor shall have any financial interest, directly or 116
indirectly, by stock ownership, interlocking directors in a 117
corporation, or otherwise, in the establishment, maintenance, or 118
promotion of the business of any retail dealer. No manufacturer or 119
wholesale distributor or any stockholder of a manufacturer or 120
wholesale distributor shall acquire, by ownership in fee, 121
leasehold, mortgage, or otherwise, directly or indirectly, any 122
interest in the premises on which the business of any other person 123
engaged in the business of trafficking in beer or intoxicating 124
liquor is conducted. ~~All~~ 125

(2) ~~All~~ contracts, covenants, conditions, and limitations 126
whereby any person engaged or proposing to engage in the sale of 127
beer or intoxicating liquors promises to confine the person's 128
sales of a particular kind or quality of beer or intoxicating 129
liquor to one or more products, or the products of a specified 130
manufacturer or wholesale distributor, or to give preference to 131
those products, shall to the extent of that promise be void. The 132
making of a promise in any such form shall be cause for the 133
revocation or suspension of any permit issued to any party. ~~This~~ 134
~~section does not prevent the holder of an A permit from securing~~ 135
~~and holding a wholesale distributor's permit or permits and~~ 136
~~operating as a wholesale distributor.~~ 137

(D) No manufacturer shall sell or offer to sell to any 138

wholesale distributor or retail permit holder, no wholesale 139
distributor shall sell or offer to sell to any retail permit 140
holder, and no wholesale distributor or retail permit holder shall 141
purchase or receive from any manufacturer or wholesale 142
distributor, any beer, brewed beverages, or wine manufactured in 143
the United States except for cash. No right of action shall exist 144
to collect any claims for credit extended contrary to this 145
section. ~~This~~ 146

This section does not prohibit a licensee from crediting to a 147
purchaser the actual prices charged for packages or containers 148
returned by the original purchaser as a credit on any sale or from 149
refunding to any purchaser the amount paid by that purchaser for 150
containers or as a deposit on containers when title is retained by 151
the vendor, if those containers or packages have been returned to 152
the manufacturer or distributor. This section does not prohibit a 153
manufacturer from extending usual and customary credit for beer, 154
brewed beverages, or wine manufactured in the United States and 155
sold to customers who live or maintain places of business outside 156
this state when the beverages so sold are actually transported and 157
delivered to points outside this state. ~~No~~ 158

No wholesale or retail permit shall be issued to an applicant 159
unless the applicant has paid in full all accounts for beer or 160
wine, manufactured in the United States, outstanding as of 161
September 6, 1939. No beer or wine manufactured in the United 162
States shall be imported into the state unless the beer or wine 163
has been paid for in cash, and no supplier registration for any 164
such beer or wine manufactured in the United States shall be 165
issued by the division of liquor control until the A-2, B-1, or 166
B-5 permit holder establishes to the satisfaction of the division 167
that the beer or wine has been paid for in cash. 168

(E) This section does not prevent a manufacturer from 169
securing and holding any financial interest, directly or 170

indirectly, by stock ownership or through interlocking directors 171
in a corporation, or otherwise, in the establishment, maintenance, 172
or promotion of the business or premises of any C or D permit 173
holder, provided that the following conditions are met: 174

~~(A)~~(1) Either the manufacturer or one of its parent companies 175
is listed on a national securities exchange. 176

~~(B)~~(2) All purchases of alcoholic beverages by the C or D 177
permit holder are made from wholesale distributors in this state 178
or agency stores licensed by the division of liquor control. 179

~~(C)~~(3) If the C or D permit holder sells brands of alcoholic 180
beverages that are produced or distributed by the manufacturer 181
that holds the financial interest, the C or D permit holder also 182
sells other competing brands of alcoholic beverages produced by 183
other manufacturers, no preference is given to the products of the 184
manufacturer, and there is no exclusion, in whole or in part, of 185
products sold or offered for sale by other manufacturers, 186
suppliers, or importers of alcoholic beverages that constitutes a 187
substantial impairment of commerce. 188

~~(D)~~(4) The primary purpose of the C or D permit premises is a 189
purpose other than to sell alcoholic beverages, and the sale of 190
other goods and services exceeds fifty per cent of the total gross 191
receipts of the C or D permit holder at its premises. 192

(F)(1) This section does not prevent a manufacturer from 193
giving financial assistance to the holder of a B permit for the 194
purpose of the holder purchasing an ownership interest in the 195
business, existing inventory and equipment, or property of another 196
B permit holder, including, but not limited to, participation in a 197
limited liability partnership, limited liability company, or any 198
other legal entity authorized to do business in this state. ~~This~~ 199

(2) ~~This~~ section does not permit a manufacturer to give 200
financial assistance to the holder of a B permit to purchase 201

inventory or equipment used in the daily operation of a B permit holder. 202
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(G) This section does not prohibit a manufacturer or subsidiary of a manufacturer from continuing to operate a wholesale distribution franchise or distribute beer or wine within a designated territory if prior to the effective date of this amendment the manufacturer either acquired the distribution franchise or territory, or awarded the franchise or territory to itself or a subsidiary. 204
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(H) This section does shall not prevent a manufacturer from securing and holding a an A-1c or B-2a permit or permits and operating as a wholesale distributor pursuant to such permits. 211
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Sec. 4301.47. Every class A-1, A-1c, A-2, and A-4 permit holder and each class B or S permit holder shall maintain and keep for a period of three years a record of the beer, wine, and mixed beverages purchased, distributed, or sold within this state by the permit holder, together with invoices, records, receipts, bills of lading, and other pertinent papers required by the tax commissioner and, upon demand by the tax commissioner, shall produce these records for a three-year period prior to the demand unless upon satisfactory proof it is shown that the nonproduction is due to causes beyond the permit holder's control. 214
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Sec. 4303.02. Permit A-1 may be issued to a manufacturer to manufacture beer and sell beer products in bottles or containers for home use and to ~~retail and~~ wholesale permit holders under rules adopted by the division of liquor control if the manufacturer's total production of beer, wherever produced, will exceed thirty-one million gallons in a calendar year. In addition, an A-1 permit holder may sell beer manufactured on the premises at retail, by individual drink in a glass or from a container, for 224
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consumption on the premises where sold. The fee for this permit is 232
three thousand nine hundred six dollars for each plant during the 233
year covered by the permit. 234

Sec. 4303.021. (A) Permit A-1-A may be issued to the holder 235
of an A-1, A-1c, or A-2 permit to sell beer and any intoxicating 236
liquor at retail, only by the individual drink in glass or from a 237
container, provided ~~such~~ that one of the following applies to the 238
A-1-A permit premises ~~are~~: 239

(1) It is situated on the same parcel or tract of land as the 240
related A-1, A-1c, or A-2 manufacturing permit premises ~~or are~~ 241
~~separated therefrom.~~ 242

(2) It is separated from the parcel or tract of land on which 243
is located the A-1, A-1c, or A-2 manufacturing permit premises 244
only by public streets or highways or by other lands owned by the 245
holder of the A-1, A-1c, or A-2 permit and used by the holder in 246
connection with or in promotion of the holder's A-1, A-1c, or A-2 247
permit business. 248

(3) It is situated on a parcel or tract of land that is not 249
more than one-half mile from the A-1, A-1c, or A-2 manufacturing 250
permit premises. The 251

(B) The fee for this permit is three thousand nine hundred 252
six dollars. ~~The~~ 253

(C) The holder of an A-1-A permit may sell beer and any 254
intoxicating liquor during the same hours as the holders of D-5 255
permits under this chapter or Chapter 4301. of the Revised Code or 256
the rules of the liquor control commission and shall obtain a 257
license as a retail food establishment or a food service operation 258
pursuant to Chapter 3717. of the Revised Code and operate as a 259
restaurant for purposes of this chapter. 260

(D) Except as otherwise provided in this section, no new 261

A-1-A permit shall be issued to the holder of an A-1, A-1c, or A-2 262
permit unless the sale of beer and intoxicating liquor under class 263
D permits is permitted in the precinct in which the A-1, A-1c, or 264
A-2 permit is located and, in the case of an A-2 permit, unless 265
the holder of the A-2 permit manufactures or has a storage 266
capacity of at least twenty-five thousand gallons of wine per 267
year. The immediately preceding sentence does not prohibit the 268
issuance of an A-1-A permit to an applicant for such a permit who 269
is the holder of an A-1 permit and whose application was filed 270
with the division of liquor control before June 1, 1994. The 271
liquor control commission shall not restrict the number of A-1-A 272
permits which may be located within a precinct. 273

Sec. 4303.022. Permit A-1c may be issued to a manufacturer to 274
manufacture beer and sell beer products in bottles or containers 275
for home use and to retail and wholesale permit holders under 276
rules adopted by the division of liquor control if the 277
manufacturer's total production of beer, wherever produced, will 278
not exceed thirty-one million gallons in a calendar year. In 279
addition, an A-1c permit holder may sell beer manufactured on 280
premises at retail, by individual drink in a glass or from a 281
container, for consumption on the premises where sold. The fee for 282
this permit is one thousand dollars for each plant during the year 283
covered by the permit. 284

Sec. 4303.06. Permit B-1 may be issued to a wholesale 285
distributor of beer to purchase from the holders of A-1 or A-1c 286
permits and to import and distribute or sell beer for home use and 287
to retail permit holders under rules adopted by the division of 288
liquor control. The fee for this permit is three thousand one 289
hundred twenty-five dollars for each distributing plant or 290
warehouse during the year covered by the permit. 291

Sec. 4303.20. Permit F may be issued to an association of ten 292
or more persons, a labor union, or a charitable organization, or 293
to an employer of ten or more persons sponsoring a function for 294
the employer's employees, to purchase from the holders of A-1, 295
A-1c, and B-1 permits and to sell beer for a period lasting not to 296
exceed five days. No more than two such permits may be issued to 297
the same applicant in any thirty-day period. 298

The special function for which the permit is issued shall 299
include a social, recreational, benevolent, charitable, fraternal, 300
political, patriotic, or athletic purpose but shall not include 301
any function the proceeds of which are for the profit or gain of 302
any individual. The fee for this permit is forty dollars. 303

Sec. 4303.29. (A) No permit, other than an H permit, shall be 304
issued to a firm or partnership unless all the members of the firm 305
or partnership are citizens of the United States. No permit, other 306
than an H permit, shall be issued to an individual who is not a 307
citizen of the United States. No permit, other than an E or H 308
permit, shall be issued to any corporation organized under the 309
laws of any country, territory, or state other than this state 310
until it has furnished the division of liquor control with 311
evidence that it has complied with the laws of this state relating 312
to the transaction of business in this state. 313

The division may refuse to issue any permit to or refuse to 314
renew any permit of any person convicted of any felony that is 315
reasonably related to the person's fitness to operate a liquor 316
permit business in this state. No holder of a permit shall sell, 317
assign, transfer, or pledge the permit without the written consent 318
of the division. 319

(B)(1) No D-3 permit shall be issued to any club unless the 320
club has been continuously engaged in the activity specified in 321

section 4303.15 of the Revised Code, as a qualification for that 322
class of permit, for two years at the time the permit is issued. 323

(2)(a) Subject to division (B)(2)(b) of this section, upon 324
application by properly qualified persons, one C-1 and C-2 permit 325
shall be issued for each one thousand population or part of that 326
population, and one D-1 and D-2 permit shall be issued for each 327
two thousand population or part of that population, in each 328
municipal corporation and in the unincorporated area of each 329
township. 330

Subject to division (B)(2)(b) of this section, not more than 331
one D-3, D-4, or D-5 permit shall be issued for each two thousand 332
population or part of that population in any municipal corporation 333
and in the unincorporated area of any township, except that, in 334
any city of a population of fifty-five thousand or more, one D-3 335
permit may be issued for each fifteen hundred population or part 336
of that population. 337

(b)(i) Division (B)(2)(a) of this section does not prohibit 338
the transfer of location or the transfer of ownership and location 339
of a C-1, C-2, D-1, D-2, D-3, or D-5 permit from a municipal 340
corporation or the unincorporated area of a township to an 341
economic development project located in another municipal 342
corporation or the unincorporated area of another township in 343
which no additional permits of that class may be issued to the 344
applicant under division (B)(2)(a) of this section. However, the 345
transfer may occur only if the applicant notifies the municipal 346
corporation or township to which the location of the permit will 347
be transferred regarding the transfer and the municipal 348
corporation or township acknowledges in writing to the division of 349
liquor control that the transfer will be to an economic 350
development project. The municipal corporation or township shall 351
submit the acknowledgment at the time the application for the 352
transfer is filed with the division. 353

The acknowledgment by the municipal corporation or township 354
does not prohibit it from requesting a hearing under section 355
4303.26 of the Revised Code. The applicant is eligible to apply 356
for and receive the transfer of location of the permit under 357
division (B)(2)(b) of this section if permits of that class that 358
may be issued under division (B)(2)(a) of this section in the 359
applicable municipal corporation or unincorporated area of the 360
township have already been issued or if the number of applications 361
filed for permits of that class in that municipal corporation or 362
the unincorporated area of that township exceed the number of 363
permits of that class that may be issued there under division 364
(B)(2)(a) of this section. 365

A permit transferred under division (B)(2)(b) of this section 366
may be subsequently transferred to a different owner at the same 367
location, or to the same owner or a different owner at a different 368
location in the same municipal corporation or in the 369
unincorporated area of the same township, ~~as long as the same or~~ 370
~~new location meets the economic development project criteria set~~ 371
~~forth in this section.~~ 372

(ii) Factors that ~~shall~~ may be used to determine the 373
designation of an economic development project include, but are 374
not limited to, architectural certification of the plans and the 375
cost of the project, the number of jobs that will be created by 376
the project, projected earnings of the project, projected tax 377
revenues for the political subdivisions in which the project will 378
be located, and the amount of financial investment in the project. 379
The superintendent of liquor control shall determine whether the 380
existing or proposed business that is seeking a permit described 381
in division (B)(2)(b) of this section qualifies as an economic 382
development project and, if the superintendent determines that it 383
so qualifies, shall designate the business as an economic 384
development project. 385

(3) Nothing in this section shall be construed to restrict 386
the issuance of a permit to a municipal corporation for use at a 387
municipally owned airport at which commercial airline companies 388
operate regularly scheduled flights on which space is available to 389
the public. A municipal corporation applying for a permit for such 390
a municipally owned airport is exempt, in regard to that 391
application, from ~~the~~ all of the following: 392

(a) The population quota restrictions contained in this 393
section ~~and from;~~ 394

(b) The population quota restrictions contained in any rule 395
of the liquor control commission. ~~A municipal corporation applying~~ 396
~~for a D-1, D-2, D-3, D-4, or D-5 permit for such a municipally~~ 397
~~owned airport is subject to section;~~ 398

(c) Section 4303.31 of the Revised Code. 399

(4) Nothing in this section shall be construed to prohibit 400
the issuance of a D permit to the board of trustees of a soldiers' 401
memorial for a premises located at a soldiers' memorial 402
established pursuant to Chapter 345. of the Revised Code. An 403
application for a D permit by the board for those premises is 404
exempt from the population restrictions contained in this section 405
and from the population quota restrictions contained in any rule 406
of the liquor control commission. The location of a D permit 407
issued to the board for those premises shall not be transferred. A 408
board of trustees of a soldiers' memorial applying for a D-1, D-2, 409
D-3, D-4, or D-5 permit for the soldiers' memorial is subject to 410
section 4303.31 of the Revised Code. 411

(5) Nothing in this section shall be construed to restrict 412
the issuance of a permit for a premises located at a golf course 413
owned by a municipal corporation, township, or county, owned by a 414
park district created under Chapter 1545. of the Revised Code, or 415
owned by the state. The location of such a permit issued on or 416

after September 26, 1984, for a premises located at such a golf 417
course shall not be transferred. Any application for such a permit 418
is exempt from ~~the~~ all of the following: 419

(a) The population quota restrictions contained in this 420
section ~~and from the;~~ 421

(b) The population quota restrictions contained in any rule 422
of the liquor control commission. ~~A municipal corporation,~~ 423
~~township, county, park district, or state agency applying for a~~ 424
~~D-1, D-2, D-3, D-4, or D-5 permit for such a golf course is~~ 425
~~subject to section;~~ 426

(c) Section 4303.31 of the Revised Code. 427

(6) As used in division (B)(6) of this section, "fair" has 428
the same meaning as in section 991.01 of the Revised Code; "state 429
fairgrounds" means the property that is held by the state for the 430
purpose of conducting fairs, expositions, and exhibits and that is 431
maintained and managed by the Ohio expositions commission under 432
section 991.03 of the Revised Code; "capitol square" has the same 433
meaning as in section 105.41 of the Revised Code; and "Ohio 434
judicial center" means the site of the Ohio supreme court and its 435
grounds. 436

Nothing in this section shall be construed to restrict the 437
issuance of one or more D permits to one or more applicants for 438
all or a part of the state fairgrounds, capitol square, or the 439
Ohio judicial center. An application for a D permit for the state 440
fairgrounds, capitol square, or the Ohio judicial center is exempt 441
from the population quota restrictions contained in this section 442
and from the population quota restrictions contained in any rule 443
of the liquor control commission. The location of a D permit 444
issued for the state fairgrounds, capitol square, or the Ohio 445
judicial center shall not be transferred. An applicant for a D-1, 446
D-2, D-3, or D-5 permit for the state fairgrounds is not subject 447

to section 4303.31 of the Revised Code. 448

Pursuant to section 1711.09 of the Revised Code, the holder 449
of a D permit issued for the state fairgrounds shall not deal in 450
spirituous liquor at the state fairgrounds during, or for one week 451
before or for three days after, any fair held at the state 452
fairgrounds. 453

(7) Nothing in this section shall be construed to prohibit 454
the issuance of a D permit for a premises located at a zoological 455
park at which sales have been approved in an election held under 456
former section 4301.356 of the Revised Code. An application for a 457
D permit for such a premises is exempt from the population 458
restrictions contained in this section, from the population quota 459
restrictions contained in any rule of the liquor control 460
commission, and from section 4303.31 of the Revised Code. The 461
location of a D permit issued for a premises at such a zoological 462
park shall not be transferred, and no quota or other restrictions 463
shall be placed on the number of D permits that may be issued for 464
a premises at such a zoological park. 465

(C)(1) No D-3, D-4, D-5, or D-5a permit shall be issued in 466
any election precinct in any municipal corporation or in any 467
election precinct in the unincorporated area of any township, in 468
which at the November, 1933, election a majority of the electors 469
voting thereon in the municipal corporation or in the 470
unincorporated area of the township voted against the repeal of 471
Section 9 of Article XV, Ohio Constitution, unless the sale of 472
spirituous liquor by the glass is authorized by a majority vote of 473
the electors voting on the question in the precinct at an election 474
held pursuant to this section or by a majority vote of the 475
electors of the precinct voting on question (C) at a special local 476
option election held in the precinct pursuant to section 4301.35 477
of the Revised Code. Upon the request of an elector, the board of 478
elections of the county that encompasses the precinct shall 479

furnish the elector with a copy of the instructions prepared by 480
the secretary of state under division (P) of section 3501.05 of 481
the Revised Code and, within fifteen days after the request, a 482
certificate of the number of signatures required for a valid 483
petition under this section. 484

Upon the petition of thirty-five per cent of the total number 485
of voters voting in any such precinct for the office of governor 486
at the preceding general election, filed with the board of 487
elections of the county in which such precinct is located not 488
later than ninety days before a general election, the board shall 489
prepare ballots and hold an election at such general election upon 490
the question of allowing spirituous liquor to be sold by the glass 491
in such precinct. The ballots shall be approved in form by the 492
secretary of state. The results of the election shall be certified 493
by the board to the secretary of state, who shall certify the 494
results to the division. 495

(2) No holder of a class D-3 permit issued for a boat or 496
vessel shall sell spirituous liquor in any precinct, in which the 497
election provided for in this section may be held, unless the sale 498
of spirituous liquor by the drink has been authorized by vote of 499
the electors as provided in this section or in section 4301.35 of 500
the Revised Code. 501

(D) Any holder of a C or D permit whose permit premises were 502
purchased in 1986 or 1987 by the state or any state agency for 503
highway purposes shall be issued the same permit at another 504
location notwithstanding any quota restrictions contained in this 505
chapter or in any rule of the liquor control commission. 506

Sec. 4303.33. (A) Every A-1 or A-1c permit holder in this 507
state, every bottler, importer, wholesale dealer, broker, 508
producer, or manufacturer of beer outside this state and within 509
the United States, and every B-1 permit holder and importer 510

importing beer from any manufacturer, bottler, person, or group of 511
persons however organized outside the United States for sale or 512
distribution for sale in this state, on or before the eighteenth 513
day of each month, shall make and file with the tax commissioner 514
upon a form prescribed by the tax commissioner an advance tax 515
payment in an amount estimated to equal the taxpayer's tax 516
liability for the month in which the advance tax payment is made. 517
If the advance tax payment credits claimed on the report are for 518
advance tax payments received by the tax commissioner on or before 519
the eighteenth day of the month covered by the report, the 520
taxpayer is entitled to an additional credit of three per cent of 521
the advance tax payment and a discount of three per cent shall be 522
allowed the taxpayer at the time of filing the report if filed as 523
provided in division (B) of this section on any amount by which 524
the tax liability reflected in the report exceeds the advance tax 525
payment estimate by not more than ten per cent. The additional 526
three per cent credit and three per cent discount shall be in 527
consideration for advancing the payment of the tax and other 528
services performed by the permit holder and other taxpayers in the 529
collection of the tax. 530

"Advance tax payment credit" means credit for payments made 531
by an A-1, A-1c, or B-1 permit holder and any other persons during 532
the period covered by a report which was made in anticipation of 533
the tax liability required to be reported on that report. 534

"Tax liability" as used in division (A) of this section means 535
the total gross tax liability of an A-1, A-1c, or B-1 permit 536
holder and any other persons for the period covered by a report 537
before any allowance for credits and discount. 538

(B) Every A-1 or A-1c permit holder in this state, every 539
bottler, importer, wholesale dealer, broker, producer, or 540
manufacturer of beer outside this state and within the United 541
States, every B-1 permit holder importing beer from any 542

manufacturer, bottler, person, or group of persons however 543
organized outside the United States, and every S permit holder, on 544
or before the tenth day of each month, shall make and file a 545
report for the preceding month upon a form prescribed by the tax 546
commissioner which report shall show the amount of beer produced, 547
sold, and distributed for sale in this state by the A-1 or A-1c 548
permit holder, sold and distributed for sale in this state by each 549
manufacturer, bottler, importer, wholesale dealer, or broker 550
outside this state and within the United States, the amount of 551
beer imported into this state from outside the United States and 552
sold and distributed for sale in this state by the B-1 permit 553
holder or importer, and the amount of beer sold in this state by 554
the S permit holder. 555

The report shall be filed by mailing it to the tax 556
commissioner, together with payment of the tax levied by sections 557
4301.42 and 4305.01 of the Revised Code shown to be due on the 558
report after deduction of advance payment credits and any 559
additional credits or discounts provided for under this section. 560

(C)(1) Every A-2, A-4, B-2, B-2a, B-3, B-4, B-5, and S permit 561
holder in this state, on or before the eighteenth day of each 562
month, shall make and file a report with the tax commissioner upon 563
a form prescribed by the tax commissioner which report shall show, 564
on the report of each A-2, A-4, B-2a, and S permit holder the 565
amount of wine, cider, and mixed beverages produced and sold, or 566
sold in this state by each such A-2, A-4, B-2a, and S permit 567
holder for the next preceding calendar month and such other 568
information as the tax commissioner requires, and on the report of 569
each such B-2, B-3, B-4, and B-5 permit holder the amount of wine, 570
cider, and mixed beverages purchased from an importer, broker, 571
wholesale dealer, producer, or manufacturer located outside this 572
state and sold and distributed in this state by such B-2, B-3, 573
B-4, and B-5 permit holder, for the next preceding calendar month 574

and such other information as the tax commissioner requires. 575

(2) Every such A-2, A-4, B-2, B-2a, B-3, B-4, B-5, and S 576
permit holder in this state shall remit with the report the tax 577
levied by sections 4301.43 and, if applicable, 4301.432 of the 578
Revised Code less a discount thereon of three per cent of the 579
total tax so levied and paid, provided the return is filed 580
together with remittance of the amount of tax shown to be due 581
thereon, within the time prescribed. Any permit holder or other 582
persons who fail to file a report under this section, for each day 583
the person so fails, may be required to forfeit and pay into the 584
state treasury the sum of one dollar as revenue arising from the 585
tax imposed by sections 4301.42, 4301.43, 4301.432, and 4305.01 of 586
the Revised Code, and that sum may be collected by assessment in 587
the manner provided in section 4305.13 of the Revised Code. 588

(3) If the tax commissioner determines that the quantity 589
reported by a person does not warrant monthly reporting, the 590
commissioner may authorize the filing of returns and the payment 591
of the tax required by this section for periods longer than one 592
month. 593

(D) Every B-1 permit holder and importer in this state 594
importing beer from any manufacturer, bottler, person, or group of 595
persons however organized, outside the United States, if required 596
by the tax commissioner shall post a bond payable to the state in 597
such form and amount as the commissioner prescribes with surety to 598
the satisfaction of the tax commissioner, conditioned upon the 599
payment to the tax commissioner of taxes levied by sections 600
4301.42 and 4305.01 of the Revised Code. 601

(E) No such wine, beer, cider, or mixed beverages sold or 602
distributed in this state shall be taxed more than once under 603
sections 4301.42, 4301.43, and 4305.01 of the Revised Code. 604

(F) As used in this section: 605

(1) "Cider" has the same meaning as in section 4301.01 of the Revised Code. 606
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(2) "Wine" has the same meaning as in section 4301.01 of the Revised Code, except that "wine" does not include cider. 608
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(G) All money collected by the tax commissioner under this section shall be paid to the treasurer of state as revenue arising from the taxes levied by sections 4301.42, 4301.43, 4301.432, and 4305.01 of the Revised Code. 610
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Sec. 4303.332. An ~~A-1~~ A-1c permit holder in this state whose total production of beer, wherever produced, does not exceed thirty one million gallons in a calendar year, as reported under section 4303.33 of the Revised Code, shall receive a credit against taxes levied in the following calendar year under sections 4301.42 and 4305.01 of the Revised Code on not more than nine million three hundred thousand gallons of beer sold or distributed in this state. The credit may be claimed monthly against taxes levied under one or more of those sections as the reports required by section 4303.33 of the Revised Code are due. At the time the report for December is due for a calendar year during which a permit holder is eligible to receive a credit under this section, if the permit holder has claimed less than the credit due on nine million three hundred thousand gallons, including credit claimed on the December report, the permit holder may claim a refund of taxes previously reported and paid under section 4303.33 of the Revised Code during the calendar year on a number of gallons equal to the difference between nine million three hundred thousand gallons and the number of gallons for which a credit has been claimed under this section. For the purpose of providing this refund, taxes previously paid under section 4303.33 of the Revised Code during the calendar year shall not be considered final until the December report is filed. The tax commissioner shall prescribe 614
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forms for and allow the credits and refunds authorized by this 637
section. 638

Section 2. That existing sections 1333.84, 4301.24, 4301.47, 639
4303.02, 4303.021, 4303.06, 4303.20, 4303.29, 4303.33, and 640
4303.332 of the Revised Code are hereby repealed. 641

Section 3. On the effective date of this act, a person who 642
holds an A-1 liquor permit that has been issued under section 643
4303.02 of the Revised Code and who is eligible to obtain an A-1c 644
liquor permit issued under section 4303.022 of the Revised Code, 645
as enacted by this act, shall continue to operate under the terms 646
of the A-1 permit until that permit is required to be renewed. At 647
the time of renewal, the permit holder shall obtain an A-1c liquor 648
permit under section 4303.022 of the Revised Code, as enacted by 649
this act. On and after the effective date of this act, a person 650
who holds an A-1 liquor permit shall not sell beer products in 651
bottles or containers to retail permit holders. However, if the 652
A-1 liquor permit holder would qualify for an A-1c liquor permit 653
under section 4303.022 of the Revised Code, as enacted by this 654
act, the A-1 liquor permit holder may sell to such retail permit 655
holders. 656