

AMENDMENTS TO HOUSE BILL NO. 466

Sponsor: SENATOR BREWSTER

Printer's No. 1985

1 Amend Bill, page 2, lines 31 through 50; pages 3 and 4, lines
2 1 through 30; page 5, lines 1 through 6; by striking out all of
3 said lines on said pages and inserting

4 Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as
5 reenacted, "An act relating to alcoholic liquors, alcohol and
6 malt and brewed beverages; amending, revising, consolidating
7 and changing the laws relating thereto; regulating and
8 restricting the manufacture, purchase, sale, possession,
9 consumption, importation, transportation, furnishing, holding
10 in bond, holding in storage, traffic in and use of alcoholic
11 liquors, alcohol and malt and brewed beverages and the
12 persons engaged or employed therein; defining the powers and
13 duties of the Pennsylvania Liquor Control Board; providing
14 for the establishment and operation of State liquor stores,
15 for the payment of certain license fees to the respective
16 municipalities and townships, for the abatement of certain
17 nuisances and, in certain cases, for search and seizure
18 without warrant; prescribing penalties and forfeitures;
19 providing for local option, and repealing existing laws," in
20 preliminary provisions, further providing for definitions; in
21 Pennsylvania Liquor Control Board, further providing for
22 general powers of board; in Pennsylvania Liquor Stores,
23 further providing for board to establish State liquor stores,
24 for when sales may be made at Pennsylvania Liquor Stores, and
25 for sales by Pennsylvania Liquor Stores; and, in licenses and
26 regulations and liquor and alcohol and malt and brewed
27 beverages, further providing for authority to issue liquor
28 licenses to hotels, restaurants and clubs, for sales by
29 liquor licensees and restrictions, for sale of malt or brewed
30 beverages by liquor licensees, for special occasion permits
31 and for wine auction permits, providing for special hours
32 permit, further providing for providing for special hours
33 permit; further providing for malt and brewed beverages
34 manufacturers', distributors' and importing distributors'
35 licenses, for distributors' and importing distributors'
36 restrictions on sales, storage, etc., for retail dispensers'
37 restrictions on purchases and sales, for breweries, for

1 limiting number of retail licenses to be issued in each
2 county, and for renewal of licenses and temporary provisions
3 for licensees in armed service; providing for license
4 auction, further providing for revocation and suspension of
5 license and fines, for applicants to provide State tax
6 identification numbers and statement of State tax status and
7 waiver of confidentiality of information in the possession of
8 the Department of Revenue and other departments and review of
9 the tax status and for shipment of wine into Commonwealth,
10 providing for direct shipment of wine and further providing
11 for unlawful acts relative to liquor, malt and brewed
12 beverages and licensees and for premises to be vacated by
13 patrons; in distilleries, wineries, bonded warehouses,
14 bailees for hire and transporters for hire, further providing
15 for limited wineries and for distilleries; and, in
16 miscellaneous provisions, providing for small brewers tax
17 credits.

18 Amend Bill, page 194, lines 22 through 30; pages 195 through
19 230, lines 1 through 30; page 231, lines 1 through 10; by
20 striking out all of said lines on said pages and inserting

21 Section 1. The definitions of "alcohol," "denatured
22 alcohol," "distributor," "eligible entity," "holiday,"
23 "importing distributor," "liquor," "performing arts facilities"
24 and "retail dispenser" in section 102 of the act of April 12,
25 1951 (P.L.90, No.21), known as the Liquor Code, reenacted and
26 amended June 29, 1987 (P.L.32, No.14) and amended or added May
27 31, 1996 (P.L.312, No.49), December 8, 2004 (P.L.1810, No.239),
28 June 25, 2010 (P.L.217, No.35) and July 5, 2012 (P.L.1007,
29 No.116), are amended and the section is amended by adding a
30 definition to read:

31 Section 102. Definitions.--The following words or phrases,
32 unless the context clearly indicates otherwise, shall have the
33 meanings ascribed to them in this section:

34 "Alcohol" shall mean ethyl alcohol of any degree of proof
35 originally produced by the distillation of any fermented liquid,
36 whether rectified or diluted with or without water, whatever may
37 be the origin thereof, and shall include powdered alcohol and
38 synthetic ethyl alcohol, but shall not mean or include ethyl
39 alcohol, whether or not diluted, that has been denatured or
40 otherwise rendered unfit for beverage purposes.

41 * * *

42 "Denatured alcohol" shall mean and include all alcohol or any
43 compound thereof which by the admixture of such denaturing
44 material or materials is rendered unfit for use as a beverage.
45 The term shall not include powdered alcohol.

46 * * *

47 "Distributor" shall mean any person licensed by the board to
48 engage in the purchase only from Pennsylvania manufacturers and

1 from importing distributors and the resale of malt or brewed
2 beverages, except to importing distributors and distributors, in
3 the original sealed containers as prepared for the market by the
4 manufacturer at the place of manufacture, but not for
5 consumption on the premises where sold, and in quantities of not
6 less than a case or original containers containing one hundred
7 twenty-eight ounces or more, or as provided in section 431(g),
8 which may be sold separately.

9 * * *

10 "Eligible entity" shall mean a city of the third class, a
11 hospital, a church, a synagogue, a volunteer fire company, a
12 volunteer ambulance company, a volunteer rescue squad, a unit of
13 a nationally chartered club which has been issued a club liquor
14 license, a club which has been issued a club liquor license and
15 which, as of December 31, 2002, has been in existence for at
16 least 100 years, a library, a nationally accredited Pennsylvania
17 nonprofit zoological institution licensed by the United States
18 Department of Agriculture, a nonprofit agricultural association
19 in existence for at least ten years, a bona fide sportsmen's
20 club in existence for at least ten years, a nationally chartered
21 veterans' organization and any affiliated lodge or subdivision
22 of such organization, a fraternal benefit society that is
23 licensed to do business in this Commonwealth and any affiliated
24 lodge or subdivision of such fraternal benefit society, a museum
25 operated by a nonprofit corporation, a nonprofit corporation
26 engaged in the performing arts, an arts council, a nonprofit
27 corporation that operates an arts facility or museum, a
28 nonprofit organization as defined under section 501(c)(3) of the
29 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
30 501(c)(3)) whose purpose is to protect the architectural
31 heritage of [boroughs or a township of the second class] a
32 municipality and which has been recognized as such by a
33 [municipal] resolution of the municipality, a nonprofit
34 organization as defined under section 501(c)(3) of the Internal
35 Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3))
36 conducting a regatta in a city of the second class with the
37 permit to be used on State park grounds or conducting a family-
38 oriented celebration as part of Welcome America in a city of the
39 first class on property leased from that city for more than
40 fifty years, a nonprofit organization as defined under section
41 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. §
42 501(c)(3)) whose purpose is to raise funds for the research and
43 treatment of cystic fibrosis, a nonprofit organization as
44 defined under section 501(c)(3) of the Internal Revenue Code of
45 1986 (26 U.S.C. § 501(c)(3)) whose purpose is to educate the
46 public on issues dealing with watershed conservation, a
47 nonprofit organization as defined under section 501(c)(3) of the
48 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
49 501(c)(3)) whose purpose is to provide equine assisted
50 activities for children and adults with special needs, a
51 nonprofit economic development agency in a city of the second

1 class with the primary function to serve as an economic
2 generator for the greater southwestern Pennsylvania region by
3 attracting and supporting film, television and related media
4 industry projects and coordinating government and business
5 offices in support of a production, a county tourist promotion
6 agency as defined in section 3(1) of the act of April 28, 1961
7 (P.L.111, No.50), known as the "Tourist Promotion Law," a junior
8 league that is a nonprofit organization as defined under section
9 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. §
10 501(c)(3)) that is comprised of women whose purpose is
11 exclusively educational and charitable in promoting the
12 volunteerism of women and developing and participating in
13 community projects and that has been in existence for over
14 seventy years, a nonprofit organization as defined under section
15 501(c)(3) of the Internal Revenue Code of 1986 and whose purpose
16 is the education and promotion of American history, a nonprofit
17 organization as defined under section 501(c)(6) of the Internal
18 Revenue Code of 1986 whose purpose is to support business and
19 industry, a brewery which has been issued a license to
20 manufacture malt or brewed beverages and has been in existence
21 for at least 100 years or a club recognized by Rotary
22 International and whose purpose is to provide service to others,
23 to promote high ethical standards and to advance world
24 understanding, goodwill and peace through its fellowship of
25 business, professional and community leaders or a nonprofit
26 organization as defined under section 501(c)(3) of the Internal
27 Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3))
28 whose purpose is to promote mushrooms while supporting local and
29 regional charities, a museum operated by a not-for-profit
30 corporation in a city of the second class A, a nonprofit
31 organization as defined under section 501(c)(3) of the Internal
32 Revenue Code of 1986 which is located in a city of the second
33 class A and has as its purpose economic and community
34 development, a nonprofit organization as defined under section
35 501(c)(3) or (6) of the Internal Revenue Code of 1986 that is
36 located in a city of the third class in a county of the fifth
37 class, a nonprofit social service organization defined under
38 section 501(c)(3) of the Internal Revenue Code of 1986 located
39 in a county of the third class whose purpose is to serve
40 individuals and families in that county of the third class, a
41 nonprofit organization as defined under section 501(c)(3) of the
42 Internal Revenue Code of 1986 whose main purpose is to
43 temporarily foster stray and unwanted animals and match them to
44 suitable permanent homes or a nonprofit organization as defined
45 under section 501(c)(3) of the Internal Revenue Code of 1986 who
46 operates either a Main Street Program or Elm Street Program
47 recognized by the Commonwealth, the National Trust for Historic
48 Preservation or both, a nonprofit radio station that is a member
49 of the National Public Radio network, a nonprofit public
50 television station that is a member of the Pennsylvania Public
51 Television Network or a nonprofit organization as defined under

1 section 501(c)(3) of the Internal Revenue Code of 1986 whose
2 purpose is to promote awareness, education and research and to
3 provide a support system for patients with neutropenia and their
4 families through a national resource network[.] or a nonprofit
5 organization as defined under section 501(c)(3) of the Internal
6 Revenue Code of 1986 that is located in a city of the first
7 class, was organized in 1995 as a community development
8 corporation to promote the health, safety and welfare of the
9 residents, businesses and institutions of a neighborhood of a
10 city of the first class, and whose works include public
11 promotions, neighborhood improvement projects and commercial
12 corridor improvements, including a business improvement
13 district.

14 * * *

15 "Holiday" shall mean the first day of January, commonly known
16 as New Year's Day; [the third Monday of January, known as Dr.
17 Martin Luther King, Jr., Day; the third Monday in February,
18 known as Presidents' Day; the last Monday in May, known as
19 Memorial Day;] the fourth day of July, known as Independence
20 Day; [the first Monday of September, known as Labor Day;] the
21 fourth Thursday in November, known as Thanksgiving Day; and the
22 twenty-fifth day of December, known as Christmas Day.

23 * * *

24 "Importing distributor" shall mean any person licensed by the
25 board to engage in the purchase from manufacturers and other
26 persons located outside this Commonwealth and from persons
27 licensed as manufacturers of malt or brewed beverages and
28 importing distributors under this act, and the resale of malt or
29 brewed beverages in the original sealed containers as prepared
30 for the market by the manufacturer at the place of manufacture,
31 but not for consumption on the premises where sold, and in
32 quantities of not less than a case or original containers
33 containing one hundred twenty-eight ounces or more, or as
34 provided in section 431(g), which may be sold separately.

35 * * *

36 "Liquor" shall mean and include any alcoholic, spirituous,
37 vinous, fermented or other alcoholic beverage, powdered alcohol,
38 or combination of liquors and mixed liquor a part of which is
39 spirituous, vinous, fermented or otherwise alcoholic, including
40 all drinks or drinkable liquids, preparations or mixtures, and
41 reused, recovered or redistilled denatured alcohol usable or
42 taxable for beverage purposes which contain more than one-half
43 of one per cent of alcohol by volume, except pure ethyl alcohol
44 and malt or brewed beverages.

45 * * *

46 "Performing arts facilities" shall mean those halls or
47 theaters in which live musical, concert, dance, ballet and
48 legitimate play book-length productions are performed.
49 Performing arts facilities shall not mean those halls or
50 theaters in which burlesque shows or reviews are performed. If
51 the operator of the performing arts facility is a nonprofit

1 entity, the facility must have permanently affixed seating for
2 at least [two hundred fifty (250)] one hundred fifty (150)
3 people; otherwise, the facility must have permanently affixed
4 seating for at least twenty-five hundred (2,500) people.

5 * * *

6 "Powdered alcohol" shall mean alcohol sold in a powder form
7 for either direct use or reconstitution.

8 * * *

9 "Retail dispenser" shall mean any person licensed to engage
10 in the retail sale of malt or brewed beverages for consumption
11 on the premises of such licensee, with the privilege of selling
12 malt or brewed beverages in quantities not in excess of [one
13 hundred ninety-two fluid ounces in a single sale to one person]
14 three hundred eighty-four ounces in not more than twenty-four
15 original containers in a single sale to one person as provided
16 in section 407, provided the licensee may not sell a package as
17 prepared for sale or distribution by the manufacturer containing
18 more than twelve containers, to be carried from the premises by
19 the purchaser thereof.

20 * * *

21 Section 2. Section 207(a) and (b) of the act, amended
22 November 30, 2004 (P.L.727, No.221) and December 8, 2004
23 (P.L.1810, No.239), are amended and the section is amended by
24 adding subsections to read:

25 Section 207. General Powers of Board.--Under this act, the
26 board shall have the power and its duty shall be:

27 (a) To buy, import or have in its possession for sale and
28 sell liquor, alcohol, corkscrews, wine and liquor accessories,
29 trade publications, gift cards, gift certificates, wine- or
30 liquor-scented candles and wine glasses in the manner set forth
31 in this act: Provided, however, That all purchases shall be made
32 subject to the approval of the State Treasurer, or his
33 designated deputy. The board shall buy liquor and alcohol at the
34 lowest price and in the greatest variety reasonably obtainable.
35 Such sales and purchases may be to or from persons or entities
36 located both in and outside this Commonwealth.

37 (b) To control the manufacture, possession, sale,
38 consumption, importation, use, storage, transportation and
39 delivery of liquor, alcohol and malt or brewed beverages in
40 accordance with the provisions of this act, and to fix the
41 wholesale and retail prices at which liquors and alcohol shall
42 be sold at Pennsylvania Liquor Stores. Prices shall be
43 [proportional with prices paid by the board to its suppliers and
44 shall reflect any advantage obtained through volume purchases by
45 the board. The board may establish a preferential price
46 structure for wines produced within this Commonwealth for the
47 promotion of such wines, as long as the price structure is
48 uniform within each class of wine purchased by the board.] as
49 set forth by the board so long as the price of a particular item
50 is uniform throughout this Commonwealth. The board shall require
51 each Pennsylvania manufacturer and each nonresident manufacturer

1 of liquors, other than wine, selling such liquors to the board,
2 which are not manufactured in this Commonwealth, to make
3 application for and be granted a permit by the board before such
4 liquors not manufactured in this Commonwealth shall be purchased
5 from such manufacturer. Each such manufacturer shall pay for
6 such permit a fee which, in the case of a manufacturer of this
7 Commonwealth, shall be equal to that required to be paid, if
8 any, by a manufacturer or wholesaler of the state, territory or
9 country of origin of the liquors, for selling liquors
10 manufactured in Pennsylvania, and in the case of a nonresident
11 manufacturer, shall be equal to that required to be paid, if
12 any, in such state, territory or country by Pennsylvania
13 manufacturers doing business in such state, territory or
14 country. In the event that any such manufacturer shall, in the
15 opinion of the board, sell or attempt to sell liquors to the
16 board through another person for the purpose of evading this
17 provision relating to permits, the board shall require such
18 person, before purchasing liquors from him or it, to take out a
19 permit and pay the same fee as hereinbefore required to be paid
20 by such manufacturer. All permit fees so collected shall be paid
21 into the State Stores Fund. The board shall not purchase any
22 alcohol or liquor fermented, distilled, rectified, compounded or
23 bottled in any state, territory or country, the laws of which
24 result in prohibiting the importation therein of alcohol or
25 liquor, fermented, distilled, rectified, compounded or bottled
26 in Pennsylvania.

27 * * *

28 (l) Notwithstanding any other provision of law to the
29 contrary, to enter into agreements with governmental units of
30 this Commonwealth and other states, for the purchase or sale of
31 goods and services with, from or to the governmental units. This
32 authority includes, but is not limited to, the purchase or sale
33 of alcohol.

34 (m) To be licensed as a lottery sales agent, as set forth in
35 section 305 of the act of August 26, 1971 (P.L.351, No.91),
36 known as the "State Lottery Law," and to take any actions
37 authorized by such designation, except that no bond, insurance
38 or indemnification may be required from the board.

39 (n) To establish and implement a customer relations
40 management program for the purpose of offering incentives, such
41 as coupons or discounts on certain products, to unlicensed
42 customers of the board.

43 Section 3. Section 301 of the act is amended to read:

44 Section 301. Board to Establish State Liquor Stores.--(a)
45 The board shall establish, operate and maintain at such places
46 throughout the Commonwealth as it shall deem essential and
47 advisable, stores to be known as "Pennsylvania Liquor Stores,"
48 for the sale of liquor and alcohol in accordance with the
49 provisions of and the regulations made under this act; except
50 that no store not so already located shall be located within
51 three hundred feet of any elementary or secondary school, nor

1 within a dry municipality without there first having been a
2 referendum approving such location. When the board shall have
3 determined upon the location of a liquor store in any
4 municipality, it shall give notice of such location by public
5 advertisement in two newspapers of general circulation. In
6 cities of the first class, the location shall also be posted for
7 a period of at least fifteen days following its determination by
8 the board as required in section 403(g) of this act. The notice
9 shall be posted in a conspicuous place on the outside of the
10 premises in which the proposed store is to operate or, in the
11 event that a new structure is to be built in a similarly visible
12 location. If, within five days after the appearance of such
13 advertisement, or of the last day upon which the notice was
14 posted, fifteen or more taxpayers residing within a quarter of a
15 mile of such location, or the City Solicitor of the city of the
16 first class, shall file a protest with the court of common pleas
17 of the county averring that the location is objectionable
18 because of its proximity to a church, a school, or to private
19 residences, the court shall forthwith hold a hearing affording
20 an opportunity to the protestants and to the board to present
21 evidence. The court shall render its decision immediately upon
22 the conclusion of the testimony and from the decision there
23 shall be no appeal. If the court shall determine that the
24 proposed location is undesirable for the reasons set forth in
25 the protest, the board shall abandon it and find another
26 location. Notwithstanding any other provision of law to the
27 contrary, the board may operate and maintain stores located in
28 commercial locations. The board may make decisions to relocate
29 and lease stores in more convenient and consumer-heavy areas,
30 after consumer trends and market trends are analyzed by the
31 board. The board may work with private persons or entities,
32 consistent with the requirements of this section and under such
33 conditions and regulations as the board may enforce, to operate
34 and maintain stores in areas where the board concludes a store
35 is needed to meet consumer demand. The board may establish,
36 operate and maintain such establishments for storing and testing
37 liquors as it shall deem expedient to carry out its powers and
38 duties under this act.

39 (b) The board may lease the necessary premises for such
40 stores or establishments, but all such leases shall be made
41 through the Department of General Services as agent of the
42 board. Notwithstanding any other provision of law to the
43 contrary, the Department of General Services shall have no more
44 than ninety days from the date the board officially approves a
45 lease recommendation to send the final lease packet to the
46 appropriate agencies for further processing. The Department of
47 General Services shall be required to submit quarterly reports
48 to the chairman and minority chairman of the Law and Justice
49 Committee of the Senate and the chairman and minority chairman
50 of the Liquor Control Committee of the House of Representatives
51 indicating the number of lease recommendations approved by the

board during the preceding quarter and whether the corresponding final lease packets were sent to the appropriate agencies within the ninety-day deadline. If the Department of General Services fails to regularly submit these quarterly reports or fails to regularly meet the ninety-day deadline imposed by this subsection, then the General Assembly may consider legislation that would allow the board to lease premises for its stores without the involvement of the Department of General Services.

The board, through the Department of General Services, shall have authority to purchase such equipment and appointments as may be required in the operation of such stores or establishments.

Section 4. Section 304 of the act, amended December 8, 2004 (P.L.1810, No.239), is amended to read:

Section 304. When Sales May Be Made at Pennsylvania Liquor Stores.--(a) Except as provided for in subsection (b), every Pennsylvania Liquor Store shall be open for business week days, except holidays as that term is defined in section 102. The board may, with the approval of the Governor, temporarily close any store in any municipality.

(b) Certain Pennsylvania Liquor Stores operated by the board [shall] may be open for Sunday retail sales between the hours of [noon] nine o'clock antemeridian and [five] nine o'clock postmeridian, except that no Sunday sales shall occur on Easter Sunday or Christmas day. The board shall open [up to twenty-five per centum of the total number of Pennsylvania Liquor Stores at its discretion], at its discretion, as many Pennsylvania Liquor Stores as it deems necessary for Sunday sales as provided for in this subsection. The board shall submit yearly reports to the Appropriations and the Law and Justice Committees of the Senate and the Appropriations and the Liquor Control Committees of the House of Representatives summarizing the total dollar value of sales under this section.

Section 5. Section 305(a) and (b) of the act, amended May 8, 2003 (P.L.1, No.1) and July 6, 2005 (P.L.135, No.39), are amended and the section is amended by adding a subsection to read:

Section 305. Sales by Pennsylvania Liquor Stores.--(a) The board shall in its discretion determine where and what classes, varieties and brands of liquor and alcohol it shall make available to the public and where such liquor and alcohol will be sold. Every Pennsylvania Liquor Store shall be authorized to sell combination packages. If a person desires to purchase a class, variety or brand of liquor or alcohol not currently available from the board, he or she may place a special order for such item so long as the order is for two or more bottles. The board may require a reasonable deposit from the purchaser as a condition for accepting the order. The customer shall be notified immediately upon the arrival of the goods.

In computing the retail price of such special orders for liquor or alcohol, the board shall not include the cost of

1 freight or shipping before applying [the] a mark-up, which shall
2 not exceed ten per centum of the cost of the product, and taxes
3 but shall add the freight or shipping charges to the price after
4 the mark-up and taxes have been applied.

5 Unless the customer pays for and accepts delivery of any such
6 special order within ten days after notice of arrival, the store
7 may place it in stock for general sale and the customer's
8 deposit shall be forfeited.

9 (b) Every Pennsylvania Liquor Store shall sell liquors at
10 wholesale to hotels, restaurants, clubs, and railroad, pullman
11 and steamship companies licensed under this act; and, under the
12 regulations of the board, to pharmacists duly licensed and
13 registered under the laws of the Commonwealth, and to
14 manufacturing pharmacists, and to reputable hospitals approved
15 by the board, or chemists. Sales to licensees shall be made at a
16 price that includes a discount of [ten] sixteen per centum from
17 the retail price. The board may sell to registered pharmacists
18 only such liquors as conform to the Pharmacopoeia of the United
19 States, the National Formulary, or the American Homeopathic
20 Pharmacopoeia. The board may sell at special prices under the
21 regulations of the board, to United States Armed Forces
22 facilities which are located on United States Armed Forces
23 installations and are conducted pursuant to the authority and
24 regulations of the United States Armed Forces. All other sales
25 by such stores shall be at retail[.], except that incentives,
26 such as coupons or discounts on certain products, may be offered
27 to unlicensed customers of the board as provided for under
28 sections 207(n) and 493(24)(iii). A person entitled to purchase
29 liquor at wholesale prices may purchase the liquor at any
30 Pennsylvania Liquor Store upon tendering cash, check or credit
31 card for the full amount of the purchase. For this purpose, the
32 board shall issue a discount card to each licensee identifying
33 such licensee as a person authorized to purchase liquor at
34 wholesale prices. Such discount card shall be retained by the
35 licensee. The board may contract through the Commonwealth
36 bidding process for delivery to wholesale licensees at the
37 expense of the licensee receiving the delivery.

38 * * *

39 (j) If the board becomes a licensed lottery sales agent, as
40 set forth in section 305 of the act of August 26, 1971 (P.L.351,
41 No.91), known as the "State Lottery Law," then the following
42 shall apply, notwithstanding the provisions of the "State
43 Lottery Law":

44 (i) The Secretary of Revenue shall permit the board to
45 operate and maintain Pennsylvania lottery instant ticket vending
46 machines, player-activated terminals and technologies or systems
47 subsequently approved by the Department of Revenue for the self-
48 service sale of lottery tickets and games in Pennsylvania Liquor
49 Stores. The board and the Secretary of Revenue shall mutually
50 agree upon the number and location of the stores authorized to
51 conduct self-service sales of lottery tickets and games.

1 (ii) The board shall not be required to post any type of
2 bond prior to conducting self-service sales of lottery tickets
3 and games.

4 (iii) Any commissions, compensation or any type of incentive
5 award based upon the sale of lottery tickets and games shall be
6 deposited by the board into the State Stores Fund.

7 Section 6. Section 401(a) of the act, amended December 22,
8 2011 (P.L.530, No.113), is amended to read:

9 Section 401. Authority to Issue Liquor Licenses to Hotels,
10 Restaurants and Clubs.--(a) Subject to the provisions of this
11 act and regulations promulgated under this act, the board shall
12 have authority to issue a retail liquor license for any premises
13 kept or operated by a hotel, restaurant or club and specified in
14 the license entitling the hotel, restaurant or club to purchase
15 liquor from a Pennsylvania Liquor Store and to keep on the
16 premises such liquor and, subject to the provisions of this act
17 and the regulations made thereunder, to sell the same and also
18 malt or brewed beverages to guests, patrons or members for
19 consumption on the hotel, restaurant or club premises. Such
20 licensees, other than clubs, shall be permitted to sell malt or
21 brewed beverages for consumption off the premises where sold in
22 quantities of not more than [one hundred ninety-two fluid ounces
23 in a single sale to one person as provided for in section 407.]
24 three hundred eighty-four ounces in not more than twenty-four
25 original containers in a single sale to one person as provided
26 for in section 407, provided the licensee may not sell a package
27 as prepared for sale or distribution by the manufacturer
28 containing more than twelve containers. Such licenses shall be
29 known as hotel liquor licenses, restaurant liquor licenses and
30 club liquor licenses, respectively. No person who holds any
31 public office that involves the duty to enforce any of the penal
32 laws of the United States, this Commonwealth or of any political
33 subdivision of this Commonwealth may have any interest in a
34 hotel or restaurant liquor license. This prohibition applies to
35 anyone with arrest authority, including, but not limited to,
36 United States attorneys, State attorneys general, district
37 attorneys, sheriffs and police officers. This prohibition shall
38 also apply to magisterial district judges, judges or any other
39 individuals who can impose a criminal sentence. This prohibition
40 does not apply to members of the General Assembly, township
41 supervisors, city councilpersons, mayors without arrest
42 authority and any other public official who does not have the
43 ability to arrest or the ability to impose a criminal sentence.
44 This section does not apply if the proposed premises are located
45 outside the jurisdiction of the individual in question.

46 * * *

47 Section 6.1. Section 406(a) of the act is amended by adding
48 a paragraph to read:

49 Section 406. Sales by Liquor Licensees; Restrictions.--(a)

50 * * *

51 (7) (i) Notwithstanding any provision of this act, the

1 practice by a bed and breakfast homestead or inn of providing
2 one bottle of wine to its paying guests at check-in while in an
3 overnight status shall not be construed as the direct or
4 indirect sale of alcohol so long as that wine is produced by a
5 licensed limited winery as provided for under section 505.2.

6 (ii) For purposes of this paragraph, a "bed and breakfast
7 homestead or inn" shall mean a private residence that contains
8 ten or fewer bedrooms used for providing overnight
9 accommodations to the public and in which breakfast is the only
10 meal served and is included in the charge for the room.

11 * * *

12 Section 7. Section 407(a) of the act, amended June 28, 2011
13 (P.L.55, No.11), is amended to read:

14 Section 407. Sale of Malt or Brewed Beverages by Liquor
15 Licensees.--(a) Every liquor license issued to a hotel,
16 restaurant, club, or a railroad, pullman or steamship company
17 under this subdivision (A) for the sale of liquor shall
18 authorize the licensee to sell malt or brewed beverages at the
19 same places but subject to the same restrictions and penalties
20 as apply to sales of liquor, except that licensees other than
21 clubs may sell malt or brewed beverages for consumption off the
22 premises where sold in quantities of not more than [one hundred
23 ninety-two fluid ounces in a single sale to one person.] three
24 hundred eighty-four ounces in not more than twenty-four original
25 containers in a single sale to one person, provided the licensee
26 may not sell a package as prepared for sale or distribution by
27 the manufacturer containing more than twelve containers. The
28 sales may be made in either open or closed containers, Provided,
29 however, That a municipality may adopt an ordinance restricting
30 open containers in public places. No licensee under this
31 subdivision (A) shall at the same time be the holder of any
32 other class of license, except a retail dispenser's license
33 authorizing the sale of malt or brewed beverages only.

34 * * *

35 Section 7.1. Section 408.4(i) of the act, amended June 5,
36 2007 (P.L.11, No.5), is amended to read:

37 Section 408.4. Special Occasion Permits.--

38 * * *

39 (i) Only one special occasion permit shall be issued to each
40 eligible entity per calendar year. Each permit may only be used
41 for six consecutive or nonconsecutive days; however, if the
42 eligible entity is a museum operated by a nonprofit corporation
43 in a city of the third class or township of the first class, a
44 nonprofit corporation engaged in the performing arts in a city
45 of the third class or in an incorporated town, a bona fide
46 sportsmen's club in existence for at least ten years conducting
47 a national golf championship [or], an arts council, a volunteer
48 fire company, volunteer ambulance company or volunteer rescue
49 company, then the special occasion permit may be used for six
50 nonconsecutive or ten consecutive days.

51 * * *

1 Section 7.2. Section 408.12(a) of the act, amended July 16,
2 2007 (P.L.107, No.34), is amended to read:

3 Section 408.12. Wine Auction Permits.--(a) Upon application
4 of:

5 (1) any nonprofit hospital;

6 (2) any nonprofit public television station which is a
7 member of the Pennsylvania Public Television Network;

8 (3) any orchestra located in a county of the first, second
9 or third class which is operated by a nonprofit corporation;

10 (4) any museum located in a county of the first, second or
11 third class which is operated by a nonprofit corporation;

12 (5) any nonprofit corporation located in any county of the
13 third class which trains and places dogs for people who are
14 physically handicapped;

15 (6) any nationally recognized community-based voluntary
16 health organization committed to fighting cancer which has been
17 in existence for at least ninety years;

18 (7) any nationally recognized emergency response
19 organization that offers humanitarian care to victims of war or
20 natural disaster and has been in existence for at least one
21 hundred twenty-five years;

22 (8) any nationally recognized organization whose purpose is
23 to serve as an agent to collect funds for local charities, as
24 well as to coordinate relief services, counsel and refer clients
25 to cooperating agencies and make emergency assistance grants and
26 has been in existence for at least one hundred twenty years;
27 [or]

28 (9) any hospice as defined under section 802.1 of the act of
29 July 19, 1979 (P.L.130, No.48), known as the "Health Care
30 Facilities Act"; or

31 (10) any college or university which is a member of the
32 Association of Independent Colleges and Universities of
33 Pennsylvania;

34 and upon payment of a fee of thirty dollars (\$30) per day, the
35 board shall issue a wine auction permit good for a period of not
36 more than four consecutive or nonconsecutive days per calendar
37 year.

38 * * *

39 Section 7.3. The act is amended by adding a section to read:

40 Section 408.17. Special Hours Permit.--(a) The board shall
41 make available a special hours permit for licensed facilities
42 licensed to sell liquor or malt or brewed beverages pursuant to
43 this act. The special hours permit shall authorize a licensed
44 facility, with the approval of the board and the Pennsylvania
45 Gaming Control Board, to adjust the hours it sells, furnishes or
46 gives liquor or malt or brewed beverages at the licensed
47 facility. The hours of operation prescribed under section 406
48 shall not apply to the holder of a special hours permit. The
49 special hours permit shall not extend the total number of hours
50 that liquor or malt or brewed beverages may be sold or furnished
51 in a single day as provided under this act. The following shall

1 apply:

2 (1) The initial purchase price of a special hours permit
3 shall be two hundred fifty thousand dollars (\$250,000).

4 (2) The annual renewal fee of the special hours permit shall
5 be fifty thousand dollars (\$50,000).

6 (3) Any funds collected under paragraph (1) or (2) shall be
7 deposited into the State Stores Fund.

8 (b) For purposes of this section, the term "licensed
9 facility" shall mean a facility that holds a license under 4
10 Pa.C.S. Chapter 13 (relating to licensees) or 13A (relating to
11 table games).

12 Section 8. Section 431(b) of the act, amended December 8,
13 2004 (P.L.1810, No.239), is amended and the section is amended
14 by adding a subsection to read:

15 Section 431. Malt and Brewed Beverages Manufacturers',
16 Distributors' and Importing Distributors' Licenses.--* * *

17 (b) The board shall issue to any reputable person who
18 applies therefor, and pays the license fee hereinafter
19 prescribed, a distributor's or importing distributor's license
20 for the place which such person desires to maintain for the sale
21 of malt or brewed beverages, not for consumption on the premises
22 where sold, and except as provided for under subsection (g), in
23 quantities of not less than a case or original containers
24 containing one hundred twenty-eight ounces or more which may be
25 sold separately as prepared for the market by the manufacturer
26 at the place of manufacture. The board shall have the discretion
27 to refuse a license to any person or to any corporation,
28 partnership or association if such person, or any officer or
29 director of such corporation, or any member or partner of such
30 partnership or association shall have been convicted or found
31 guilty of a felony within a period of five years immediately
32 preceding the date of application for the said license: And
33 provided further, That, in the case of any new license or the
34 transfer of any license to a new location, the board may, in its
35 discretion, grant or refuse such new license or transfer if such
36 place proposed to be licensed is within three hundred feet of
37 any church, hospital, charitable institution, school or public
38 playground, or if such new license or transfer is applied for a
39 place which is within two hundred feet of any other premises
40 which is licensed by the board: And provided further, That the
41 board shall refuse any application for a new license or the
42 transfer of any license to a new location if, in the board's
43 opinion, such new license or transfer would be detrimental to
44 the welfare, health, peace and morals of the inhabitants of the
45 neighborhood within a radius of five hundred feet of the place
46 proposed to be licensed. The board shall refuse any application
47 for a new license or the transfer of any license to a location
48 where the sale of liquid fuels or oil is conducted. The board
49 may enter into an agreement with the applicant concerning
50 additional restrictions on the license in question. If the board
51 and the applicant enter into such an agreement, such agreement

1 shall be binding on the applicant. Failure by the applicant to
2 adhere to the agreement will be sufficient cause to form the
3 basis for a citation under section 471 and for the nonrenewal of
4 the license under section 470. If the board enters into an
5 agreement with an applicant concerning additional restrictions,
6 those restrictions shall be binding on subsequent holders of the
7 license until the license is transferred to a new location or
8 until the board enters into a subsequent agreement removing
9 those restrictions. If the application in question involves a
10 location previously licensed by the board, then any restrictions
11 imposed by the board on the previous license at that location
12 shall be binding on the applicant unless the board enters into a
13 new agreement rescinding those restrictions. The board shall
14 require notice to be posted on the property or premises upon
15 which the licensee or proposed licensee will engage in sales of
16 malt or brewed beverages. This notice shall be similar to the
17 notice required of hotel, restaurant and club liquor licensees.

18 Except as hereinafter provided, such license shall authorize
19 the holder thereof to sell or deliver malt or brewed beverages
20 in quantities above specified anywhere within the Commonwealth
21 of Pennsylvania, which, in the case of distributors, have been
22 purchased only from persons licensed under this act as
23 manufacturers or importing distributors, and in the case of
24 importing distributors, have been purchased from manufacturers
25 or persons outside this Commonwealth engaged in the legal sale
26 of malt or brewed beverages or from manufacturers or importing
27 distributors licensed under this article. In the case of an
28 importing distributor, the holder of such a license shall be
29 authorized to store and repackage malt or brewed beverages owned
30 by a manufacturer at a segregated portion of a warehouse or
31 other storage facility authorized by section 441(d) and operated
32 by the importing distributor within its appointed territory and
33 deliver such beverages to another importing distributor who has
34 been granted distribution rights by the manufacturer as provided
35 herein. The importing distributor shall be permitted to receive
36 a fee from the manufacturer for any related storage, repackaging
37 or delivery services. In the case of a bailee for hire hired by
38 a manufacturer, the holder of such a permit shall be authorized:
39 to receive, store and repackage malt or brewed beverages
40 produced by that manufacturer for sale by that manufacturer to
41 importing distributors to whom that manufacturer has given
42 distribution rights pursuant to this subsection or to purchasers
43 outside this Commonwealth for delivery outside this
44 Commonwealth; or to ship to that manufacturer's storage
45 facilities outside this Commonwealth. The bailee for hire shall
46 be permitted to receive a fee from the manufacturer for any
47 related storage, repackaging or delivery services. The bailee
48 for hire shall, as required in Article V of this act, keep
49 complete and accurate records of all transactions, inventory,
50 receipts and shipments and make all records and the licensed
51 areas available for inspection by the board and for the

1 Pennsylvania State Police, Bureau of Liquor Control Enforcement,
2 during normal business hours.

3 Each out of State manufacturer of malt or brewed beverages
4 whose products are sold and delivered in this Commonwealth shall
5 give distributing rights for such products in designated
6 geographical areas to specific importing distributors, and such
7 importing distributor shall not sell or deliver malt or brewed
8 beverages manufactured by the out of State manufacturer to any
9 person issued a license under the provisions of this act whose
10 licensed premises are not located within the geographical area
11 for which he has been given distributing rights by such
12 manufacturer. Should a licensee accept the delivery of such malt
13 or brewed beverages in violation of this section, said licensee
14 shall be subject to a suspension of his license for at least
15 thirty days: Provided, That the importing distributor holding
16 such distributing rights for such product shall not sell or
17 deliver the same to another importing distributor without first
18 having entered into a written agreement with the said secondary
19 importing distributor setting forth the terms and conditions
20 under which such products are to be resold within the territory
21 granted to the primary importing distributor by the
22 manufacturer.

23 When a Pennsylvania manufacturer of malt or brewed beverages
24 licensed under this article names or constitutes a distributor
25 or importing distributor as the primary or original supplier of
26 his product, he shall also designate the specific geographical
27 area for which the said distributor or importing distributor is
28 given distributing rights, and such distributor or importing
29 distributor shall not sell or deliver the products of such
30 manufacturer to any person issued a license under the provisions
31 of this act whose licensed premises are not located within the
32 geographical area for which distributing rights have been given
33 to the distributor and importing distributor by the said
34 manufacturer: Provided, That the importing distributor holding
35 such distributing rights for such product shall not sell or
36 deliver the same to another importing distributor without first
37 having entered into a written agreement with the said secondary
38 importing distributor setting forth the terms and conditions
39 under which such products are to be resold within the territory
40 granted to the primary importing distributor by the
41 manufacturer. Nothing herein contained shall be construed to
42 prevent any manufacturer from authorizing the importing
43 distributor holding the distributing rights for a designated
44 geographical area from selling the products of such manufacturer
45 to another importing distributor also holding distributing
46 rights from the same manufacturer for another geographical area,
47 providing such authority be contained in writing and a copy
48 thereof be given to each of the importing distributors so
49 affected.

50 * * *

51 (g) (1) In addition to being able to sell in case

1 quantities as provided under subsection (b), a distributor or
2 importing distributor may break the bulk of a case and sell
3 units of any case in quantities of not less than forty-two
4 ounces, provided the distributor or importing distributor sells
5 a package as prepared for sale by the manufacturer.

6 (2) Before a distributor or importing distributor breaks the
7 bulk of a case for the purpose of selling units, the distributor
8 or importing distributor shall inspect the case for damage and
9 appropriate production date. When the distributor or importing
10 distributor breaks the bulk of a case for the purpose of selling
11 units of the case, the distributor or importing distributor
12 bears the risk of loss and is responsible for the destruction of
13 any malt and brewed beverages that violate the manufacturer's
14 specifications relating to sales by a certain date or within a
15 number of days of the production date.

16 (3) The term "unit" as used in this subsection means an
17 undamaged bottle or can from a case.

18 Section 9. Section 441(a) and (b) of the act, amended June
19 18, 1998 (P.L.664, No.86) and December 9, 2002 (P.L.1653,
20 No.212), are amended to read:

21 Section 441. Distributors' and Importing Distributors'
22 Restrictions on Sales, Storage, Etc.--(a) No distributor or
23 importing distributor shall purchase, receive or resell any malt
24 or brewed beverages except:

25 (1) in the original containers as prepared for the market by
26 the manufacturer at the place of manufacture;

27 (2) in the case of identical containers repackaged in the
28 manner described by subsection (f); or

29 (3) as provided in section 431(b) and (g).

30 (b) [No] Except as provided for in section 431(g), no
31 distributor or importing distributor shall sell any malt or
32 brewed beverages in quantities of less than a case or original
33 containers containing one hundred twenty-eight ounces or more
34 which may be sold separately: Provided, That no malt or brewed
35 beverages sold or delivered shall be consumed upon the premises
36 of the distributor or importing distributor, or in any place
37 provided for such purpose by such distributor or importing
38 distributor. Notwithstanding any other provision of this section
39 or act, malt or brewed beverages which are part of a tasting
40 conducted pursuant to the board's regulations may be consumed on
41 licensed premises.

42 * * *

43 Section 10. Section 442(a)(1) of the act, amended June 28,
44 2011 (P.L.55, No.11), is amended to read:

45 Section 442. Retail Dispensers' Restrictions on Purchases
46 and Sales.--(a) (1) No retail dispenser shall purchase or
47 receive any malt or brewed beverages except in original
48 containers as prepared for the market by the manufacturer at the
49 place of manufacture. The retail dispenser may thereafter break
50 the bulk upon the licensed premises and sell or dispense the
51 same for consumption on or off the premises so licensed. No

1 retail dispenser may sell malt or brewed beverages for
2 consumption off the premises in quantities in excess of [one
3 hundred ninety-two fluid ounces.] three hundred eighty-four
4 ounces in not more than twenty-four original containers in a
5 single sale to one person as provided in section 407, provided
6 the licensee may not sell a package as prepared for sale or
7 distribution by the manufacturer containing more than twelve
8 containers. Sales may be made in open or closed containers,
9 Provided, however, That a municipality may adopt an ordinance
10 restricting open containers in public places. No club licensee
11 may sell any malt or brewed beverages for consumption off the
12 premises where sold or to persons not members of the club.

13 * * *

14 Section 10.1. Section 446(a)(2) of the act, amended December
15 22, 2011 (P.L.530, No.113), is amended and the section is
16 amended by adding a subsection to read:

17 Section 446. Breweries.--(a) Holders of a brewery license
18 may:

19 * * *

20 (2) Operate a restaurant or brewery pub on the licensed
21 premises under such conditions and regulations as the board may
22 enforce: Provided, however, That sales on Sunday may be made
23 irrespective of the volume of food sales if the licensed
24 premises are at a public venue location. The holder of a brewery
25 license may sell at its brewery pub premises [Pennsylvania wines
26 it has purchased from either the holder of a Pennsylvania
27 limited winery license or from the board] wines produced by the
28 holder of a limited winery license or liquor produced by a
29 licensed limited distillery: Provided, however, That said wines
30 and liquor must be consumed at the licensed brewery pub
31 premises.

32 * * *

33 (c) The holder of a brewery license may also sell wines
34 produced by a licensed limited winery or distilled liquor
35 produced by a licensed limited distillery.

36 Section 10.2. Section 461(b.1)(4) of the act, amended
37 November 29, 2006 (P.L.1421, No.155), is amended to read:

38 Section 461. Limiting Number of Retail Licenses To Be Issued
39 In Each County.--* * *

40 (b.1) The board may issue restaurant and eating place retail
41 dispenser licenses and renew licenses issued under this
42 subsection without regard to the quota restrictions set forth in
43 subsection (a) for the purpose of economic development in a
44 municipality under the following conditions:

45 * * *

46 (4) An applicant under this subsection shall be required to
47 sell food and nonalcoholic beverages equal to [seventy per
48 centum (70%)] fifty per centum (50%) or more of its combined
49 gross sales of food and alcoholic beverages.

50 * * *

51 Section 10.3. Section 470(a) of the act, amended December

22, 2011 (P.L.530, No.113), is amended to read:

Section 470. Renewal of Licenses; Temporary Provisions for Licensees in Armed Service.--(a) All applications for renewal or validation of licenses under the provisions of this article shall be filed with tax clearance from the Department of Revenue and the Department of Labor and Industry and requisite license and filing fees, including an application surcharge of seven hundred dollars (\$700.00), at least sixty days before the expiration date of same: Provided, however, That the board, in its discretion, may accept nunc pro tunc a renewal application filed less than sixty days before the expiration date of the license with the required fees, upon reasonable cause shown and the payment of an additional filing fee of one hundred dollars (\$100.00) for late filing: And provided further, That except where the failure to file a renewal application on or before the expiration date has created a license quota vacancy after said expiration date which has been filled by the issuance of a new license, after such expiration date, but before the board has received a renewal application nunc pro tunc within the time prescribed herein the board, in its discretion, may, after hearing, accept a renewal application filed within two years after the expiration date of the license with the required fees upon the payment of an additional filing fee of two hundred fifty dollars (\$250.00) for late filing. Where any such renewal application is filed less than sixty days before the expiration date, or subsequent to the expiration date, no license shall issue upon the filing of the renewal application until the matter is finally determined by the board and if an appeal is taken from the board's action the courts shall not order the issuance of the renewal license until final determination of the matter by the courts. The board may enter into an agreement with the applicant concerning additional restrictions on the license in question. If the board and the applicant enter into such an agreement, such agreement shall be binding on the applicant. Failure by the applicant to adhere to the agreement will be sufficient cause to form the basis for a citation under section 471 and for the nonrenewal of the license under this section. A renewal application will not be considered filed unless accompanied by the requisite filing [and], license and administrative fees and any additional filing fee required by this section. Unless the board shall have given ten days' previous notice to the applicant of objections to the renewal of his license, based upon violation by the licensee or his servants, agents or employees of any of the laws of the Commonwealth or regulations of the board relating to the manufacture, transportation, use, storage, importation, possession or sale of liquors, alcohol or malt or brewed beverages, or the conduct of a licensed establishment, or unless the applicant has by his own act become a person of ill repute, or unless the premises do not meet the requirements of this act or the regulations of the board, the license of a licensee shall

1 be renewed. Notwithstanding any other provision of this act, a
2 noise violation shall not be the sole basis for objection by the
3 board to the renewal of a license unless the licensee has
4 received six prior adjudicated noise citations within a twenty-
5 four-month period.

6 * * *

7 Section 10.4. The act is amended by adding a section to
8 read:

9 Section 470.3. License Auction.--(a) A restaurant liquor
10 license or eating place retail dispenser license which is
11 subject to the quota restrictions set forth in section 461(a)
12 and which has not been renewed as required by section 470, or
13 has been revoked under section 471 or as required by section
14 474.1, or which the board refused to renew under section 470,
15 shall be offered for auction by the board. The auction shall
16 occur in July of the calendar year after the license becomes
17 available for auction, on a date to be determined by the board.
18 For purposes of this section, a license becomes available for
19 auction the day after the deadline has passed for appealing a
20 decision revoking or nonrenewing the license or the day after
21 the two-year window to file a renewal application nunc pro tunc
22 set forth in section 470, has passed.

23 (b) By March 1 of each year, the board shall post on its
24 Internet website a listing of all the licenses that shall be
25 available for auction in July of that year. The list shall also
26 be available upon request.

27 (c) The board shall accept applications from persons
28 interested in bidding at the auction beginning March 1. The
29 application shall be in writing and shall contain such
30 information as the board shall from time to time prescribe. The
31 board shall accept applications until June 15th and may, in its
32 discretion, accept applications after that date.

33 (d) A person who would be precluded from acquiring a license
34 by sections 411 or 443, or who, in the board's opinion, is not
35 of good repute may not apply for a license under this section.

36 (e) The auction shall be conducted in the manner set forth
37 by the board, in July at the date and time appointed by the
38 board. After the auction, the board shall provisionally award to
39 the person making the highest bid for the license the right to
40 file an application for the license. However, the board may not
41 accept a bid lower than the following amounts:

42 (1) In counties of the first through fourth class, one
43 hundred thousand dollars (\$100,000).

44 (2) In counties of the fifth through eighth class, fifty
45 thousand dollars (\$50,000).

46 (f) The winning bidder shall pay to the board the bid amount
47 within two weeks. Payment shall be by cashier's check, certified
48 check or any other method acceptable to the board. If the
49 winning bidder does not pay the bid amount within two weeks, the
50 second highest bidder shall be awarded the right to file an
51 application for the license, so long as the bid amount is in

1 accordance with subsection (e).

2 (g) If there are no bids for a license or if there are no
3 bids that meet the bid amounts set forth in subsection (f), the
4 license shall be revoked and may not be reissued.

5 (h) Within six months of a bidder being informed that he is
6 the winning bidder and that the winning bid has been processed,
7 the winning bidder shall file an application to transfer the
8 license to itself or to an assignee. The application shall be
9 processed in the same manner as any other transfer application
10 and shall be subject to the same restrictions as any other
11 transfer application, including any conditional licensing
12 agreements, but not including any unpaid fines or unserved
13 suspensions accrued by the previous license holder. The
14 application may be filed on a prior approval basis.

15 Section 10.5. Section 471(b) of the act, amended July 6,
16 2005 (P.L.135, No.39), is amended to read:

17 Section 471. Revocation and Suspension of Licenses; Fines.--

18 * * *

19 (b) Hearing on such citations shall be held in the same
20 manner as provided herein for hearings on applications for
21 license. Upon such hearing, if satisfied that any such violation
22 has occurred or for other sufficient cause, the administrative
23 law judge shall immediately suspend or revoke the license, or
24 impose a fine of not less than [fifty dollars (\$50)] one hundred
25 dollars (\$100) nor more than [one thousand dollars (\$1,000)] two
26 thousand dollars (\$2,000), or both, notifying the licensee by
27 registered letter addressed to his licensed premises. If the
28 licensee has been cited and found to have violated section
29 493(1) insofar as it relates to sales to minors or sales to a
30 visibly intoxicated person, section 493(10) insofar as it
31 relates to lewd, immoral or improper entertainment or section
32 493(14), (16) or (21), or has been found to be a public nuisance
33 pursuant to section 611, or if the owner or operator of the
34 licensed premises or any authorized agent of the owner or
35 operator has been convicted of any violation of the act of April
36 14, 1972 (P.L.233, No.64), known as "The Controlled Substance,
37 Drug, Device and Cosmetic Act," or of 18 Pa.C.S. § 5902
38 (relating to prostitution and related offenses) or 6301
39 (relating to corruption of minors), at or relating to the
40 licensed premises, the administrative law judge shall
41 immediately suspend or revoke the license, or impose a fine of
42 not less than [one thousand dollars (\$1,000)] two thousand
43 dollars (\$2,000) nor more than [five thousand dollars (\$5,000)]
44 ten thousand dollars (\$10,000), or both. However, if a licensee
45 has been cited and found to have violated section 493(1) as it
46 relates to sales to minors or sales to a visibly intoxicated
47 person but at the time of the sale the licensee was in
48 compliance with the requirements set forth in section 471.1 and
49 the licensee had not sold to minors or visibly intoxicated
50 persons in the previous four years, then the administrative law
51 judge shall immediately suspend or revoke the license, or impose

1 a fine of not less than [fifty dollars (\$50)] one hundred
2 dollars (\$100) nor more than [one thousand dollars (\$1,000)] two
3 thousand dollars (\$2,000), or both. The administrative law judge
4 shall notify the licensee by registered mail, addressed to the
5 licensed premises, of such suspension, revocation or fine. In
6 the event the fine is not paid within twenty days of the
7 adjudication, the administrative law judge shall suspend or
8 revoke the license, notifying the licensee by registered mail
9 addressed to the licensed premises. Suspensions and revocations
10 shall not go into effect until thirty days have elapsed from the
11 date of the adjudication during which time the licensee may take
12 an appeal as provided for in this act, except that revocations
13 mandated in section 481(c) shall go into effect immediately. Any
14 licensee whose license is revoked shall be ineligible to have a
15 license under this act until the expiration of three years from
16 the date such license was revoked. In the event a license is
17 revoked, no license shall be granted for the premises or
18 transferred to the premises in which the said license was
19 conducted for a period of at least one year after the date of
20 the revocation of the license conducted in the said premises,
21 except in cases where the licensee or a member of his immediate
22 family is not the owner of the premises, in which case the board
23 may, in its discretion, issue or transfer a license within the
24 said year. In the event the bureau or the person who was fined
25 or whose license was suspended or revoked shall feel aggrieved
26 by the adjudication of the administrative law judge, there shall
27 be a right to appeal to the board. The appeal shall be based
28 solely on the record before the administrative law judge. The
29 board shall only reverse the decision of the administrative law
30 judge if the administrative law judge committed an error of law,
31 abused its discretion or if its decision is not based on
32 substantial evidence. In the event the bureau or the person who
33 was fined or whose license was suspended or revoked shall feel
34 aggrieved by the decision of the board, there shall be a right
35 to appeal to the court of common pleas in the same manner as
36 herein provided for appeals from refusals to grant licenses.
37 Each of the appeals shall act as a supersedeas unless, upon
38 sufficient cause shown, the reviewing authority shall determine
39 otherwise; however, if the licensee has been cited and found to
40 have violated section 493(1) insofar as it relates to sales to
41 minors or sales to a visibly intoxicated person, section 493(10)
42 insofar as it relates to lewd, immoral or improper entertainment
43 or section 493(14), (16) or (21), or has been found to be a
44 public nuisance pursuant to section 611, or if the owner or
45 operator of the licensed premises or any authorized agent of the
46 owner or operator has been convicted of any violation of "The
47 Controlled Substance, Drug, Device and Cosmetic Act," or of 18
48 Pa.C.S. § 5902 or 6301, at or relating to the licensed premises,
49 or if the license has been revoked under section 481(c), its
50 appeal shall not act as a supersedeas unless the reviewing
51 authority determines otherwise upon sufficient cause shown. In

1 any hearing on an application for a supersedeas under this
2 section, the reviewing authority may consider, in addition to
3 other relevant evidence, documentary evidence, including records
4 of the bureau, showing the prior history of citations, fines,
5 suspensions or revocations against the licensee; and the
6 reviewing authority may also consider, in addition to other
7 relevant evidence, evidence of any recurrence of the unlawful
8 activity occurring between the date of the citation which is the
9 subject of the appeal and the date of the hearing. If the
10 reviewing authority is the board, no hearing shall be held on
11 the application for a supersedeas; however, a decision shall be
12 made based on the application, answer and documentary evidence
13 under this subsection. If the application for a supersedeas is
14 for a license that has been revoked under section 481(c), the
15 reviewing authority shall grant the supersedeas only if it finds
16 that the licensee will likely prevail on the merits. No penalty
17 provided by this section shall be imposed for any violations
18 provided for in this act unless the bureau notifies the licensee
19 of its nature within thirty days of the completion of the
20 investigation.

21 * * *

22 Section 10.6. Section 477 heading, (c) and (f) of the act,
23 added April 29, 1994 (P.L.212, No.30), are amended and the
24 section is amended by adding a subsection to read:

25 Section 477. Applicants to Provide State Tax Identification
26 Numbers and Statement of State Tax Status and Local Tax Status;
27 Waiver of Confidentiality of Information in the Possession of
28 the Department of Revenue and Other Departments; Review of State
29 Tax Status.--* * *

30 (a.1) In addition to any other information required for the
31 grant, renewal or transfer of any license issued pursuant to
32 this article, an applicant for a license in a city of the first
33 class shall provide the board, upon forms approved by the city,
34 a statement that all taxes levied pursuant to the act of June
35 10, 1971 (P.L.153, No.7), known as the "First Class School
36 District Liquor Sales Tax Act of 1971," have been remitted.

37 * * *

38 (c) Upon receipt of any application for the grant, renewal
39 or transfer of any license issued pursuant to this article, the
40 board shall review the State and local tax status of the
41 applicant. The board shall request State and local tax
42 information regarding the applicant from the Department of
43 Revenue, the Office of Attorney General [or], the Department of
44 Labor and Industry or the department of revenue for a city of
45 the first class and said information shall be provided.

46 * * *

47 (f) Upon the required submission of the annual licensing fee
48 or upon renewal, issuance or transfer of any license, if the
49 Department of Revenue [or], the Department of Labor and Industry
50 or the department of revenue for a city of the first class
51 notifies the board of noncompliance with the aforementioned

provisions, the board shall not renew, issue, transfer or validate the license. Any appeal filed therefrom shall not act as a supersedeas.

* * *

Section 11. Section 488 of the act, added February 21, 2002 (P.L.103, No.10), is amended to read:

Section 488. Shipment of Wine [into Commonwealth.--(a) The shipment of wine from out-of-State to residents of this Commonwealth is prohibited, except as otherwise provided for in this section.] to Pennsylvania Liquor Stores.--

(b) Notwithstanding any other provision of this act or law to the contrary, a person licensed by another state as a producer, supplier, importer, wholesaler, distributor or retailer of wine and who obtains a [direct wine shipper] direct-to-store wine shipper license as provided for in this section may ship up to nine liters per month of any wine [not included on the list provided for in subsection (c)] on the [Internet] order of any resident of this Commonwealth who is at least twenty-one (21) years of age for such resident's personal use and not for resale.

[(c) Each month, the board shall publish on the Internet a list of all classes, varieties and brands of wine available for sale in the Pennsylvania Liquor Stores. A person holding a direct shipper license may ship only those classes, varieties and brands of wine not included on the list at the time an Internet order is placed.]

(d) [An out-of-State] A direct-to-store wine shipper shall:

(1) Not ship more than nine liters per month on the Internet order of any person in this Commonwealth.

(2) Report to the board each year the total amount of wine shipped [into this Commonwealth] to Pennsylvania Liquor Stores in the preceding calendar year.

(3) Permit the board, the enforcement bureau or the Secretary of Revenue, or their designated representatives, to perform an audit of the [out-of-State] direct-to-store wine shipper's records upon request.

(4) Be deemed to have submitted to the jurisdiction of the board, any other State agency and the courts of this Commonwealth for purposes of enforcement of this section and any related laws, rules or regulations.

(e) A [direct] direct-to-store wine shipper may ship wine on the [Internet] order of a resident into this Commonwealth provided that the wine is shipped to a Pennsylvania Liquor Store selected by the resident. The wine will be subject to taxes in the same manner as wine sold directly by the board. The wine will not be released by the State store until all moneys due, including all taxes and fees, have been paid by the resident.

(f) A person shall sign an affidavit provided by the Pennsylvania Liquor Store where the wine was delivered to stating that the wine will only be used for the person's personal use. Any person who resells wine obtained under this

1 section commits a misdemeanor of the second degree.

2 (g) The board may promulgate such rules and regulations as
3 are necessary to implement and enforce the provisions of this
4 section. The board may charge the resident a fee to cover the
5 cost associated with processing the [Internet] order.

6 (h) The board shall submit [monthly] annual reports to the
7 Appropriations Committee and the Law and Justice Committee of
8 the Senate and to the Appropriations Committee and the Liquor
9 Control Committee of the House of Representatives summarizing
10 the number of [direct] direct-to-store wine shipper licenses
11 issued by the board, the quantity of wine sold and shipped by
12 direct-to-store wine shipper licensees pursuant to this section
13 and the total dollar value of sales under this section.

14 (i) The term "wine" as used in this section shall mean
15 liquor which is fermented from [grapes and other fruits, having
16 alcoholic content of twenty-four per centum or less. The term
17 "wine" shall not include malt or brewed beverages nor shall wine
18 include any products containing alcohol derived from malt,
19 grain, cereal, molasses or cactus] an agricultural commodity as
20 that term is defined in section 505.2(c).

21 Section 12. The act is amended by adding a section to read:

22 Section 489. Direct Shipment of Wine.--(a) Notwithstanding
23 any other provision of law, a person licensed by the board or
24 another state as a producer of wine, and who obtains a license
25 as provided for in this section, may ship up to eighteen liters
26 per month of any wine on the order of any resident of this
27 Commonwealth who is at least twenty-one years of age for such
28 resident's personal use and not for resale.

29 (b) Prior to issuing such a license, the board shall require
30 the person seeking the license to:

31 (1) File an application with the board.

32 (2) Pay a registration fee of one hundred dollars (\$100).

33 (3) Provide to the board a copy of the applicant's current
34 alcoholic beverage license issued by the board or another state,
35 if applicable.

36 (4) Provide documentation to the board which evidences that
37 the applicant has obtained a sales tax license from the
38 Department of Revenue.

39 (5) Obtain a tax bond, in the amount of one thousand dollars
40 (\$1,000), such that if the licensee does not pay the taxes
41 imposed under this section when due, the surety of the bond
42 shall pay all taxes and any related penalties, and any interest
43 that may be due or become due.

44 (6) Provide the board with any other information that the
45 board deems necessary and appropriate.

46 (c) The licensee shall:

47 (1) Require proof of age of the recipient, in a manner or
48 format approved by the board, before any wine is shipped to a
49 resident of this Commonwealth.

50 (2) Ensure that all boxes or exterior containers of wine
51 shipped directly to a resident of this Commonwealth are

1 conspicuously labeled with the words "CONTAINS ALCOHOL:
2 SIGNATURE OF PERSON 21 YEARS OF AGE OR OLDER REQUIRED FOR
3 DELIVERY."

4 (3) Ensure that shipments shall be delivered by an entity
5 holding a valid transporter-for-hire license issued by the board
6 and that such transporter-for-hire shall not deliver any wine
7 unless it does all of the following:

8 (i) Obtains the signature of the recipient of the wine upon
9 delivery.

10 (ii) Verifies by inspecting a valid form of photo
11 identification, as provided for in section 495(a), that the
12 recipient is at least twenty-one (21) years of age.

13 (iii) Determines that the recipient is not visibly
14 intoxicated at the time of delivery.

15 (4) On a quarterly basis, remit to the Department of Revenue
16 all taxes due on sales to residents of this Commonwealth.

17 (5) Permit the board, the enforcement bureau or the
18 Secretary of Revenue, or their designated representatives, to
19 perform an audit of the licensee's records upon request.

20 (6) Be deemed to have submitted to the jurisdiction of the
21 board, any other State agency and the courts of this
22 Commonwealth for purposes of enforcement of this section and any
23 related laws, rules or regulations, including the collection and
24 remission of taxes as required under this section.

25 (7) Annually renew its license by paying a renewal fee
26 established by the board and report to the board, at the time of
27 renewal, the total amount of wine shipped to residents of this
28 Commonwealth in the preceding calendar year.

29 (d) Wine delivered under the authority of this section is
30 subject to the sales and use tax imposed by section 202 of the
31 act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform
32 Code of 1971," the sales and use tax imposed by Article XXXI-B
33 of the act of July 28, 1953 (P.L.723, No.230), known as the
34 "Second Class County Code," the sales and use tax imposed by the
35 act of February 12, 2004 (P.L.73, No.11), known as the
36 "Intergovernmental Cooperation Authority Act for Cities of the
37 Second Class," and the emergency State tax imposed on wines sold
38 by the board under the act of June 9, 1936 (1st Sp. Sess.,
39 P.L.13, No.4), entitled "An act imposing an emergency State tax
40 on liquor, as herein defined, sold by the Pennsylvania Liquor
41 Control Board; providing for the collection and payment of such
42 tax; and imposing duties upon the Department of Revenue and the
43 Pennsylvania Liquor Control Board."

44 (e) A transporter for hire shall:

45 (1) keep records as required under section 512 pertaining to
46 the direct shipment of wine; and

47 (2) permit the board and the enforcement bureau, or their
48 designated representatives, to inspect such records in
49 accordance with section 513.

50 (f) Any person who resells wine obtained under this section
51 commits a misdemeanor of the second degree.

1 (g) Shipments of wine to persons in this Commonwealth from
2 persons who do not possess a license from the board authorizing
3 such shipments are prohibited. Any person who knowingly makes,
4 participates in, transports, imports or receives such shipment
5 commits a misdemeanor.

6 (h) The board shall submit annual reports to the
7 Appropriations Committee of the Senate and the Law and Justice
8 Committee of the Senate and to the Appropriations Committee of
9 the House of Representatives and the Liquor Control Committee of
10 the House of Representatives summarizing the number of licenses
11 issued by the board under this section, the quantity of wine
12 sold and shipped by licensees pursuant to this section and the
13 total dollar value of sales under this section.

14 (i) The board may promulgate such rules and regulations as
15 are necessary to implement and enforce the provisions of this
16 section.

17 (j) The term "wine" as used in this section shall mean
18 liquor which is fermented from an agricultural commodity as that
19 term is defined in section 505.2(c).

20 Section 13. Section 493(24) of the act, amended November 29,
21 2006 (P.L.1421, No.155), is amended and the section is amended
22 by adding a paragraph to read:

23 Section 493. Unlawful Acts Relative to Liquor, Malt and
24 Brewed Beverages and Licensees.--The term "licensee," when used
25 in this section, shall mean those persons licensed under the
26 provisions of Article IV, unless the context clearly indicates
27 otherwise.

28 It shall be unlawful--

29 * * *

30 (24) (i) Things of Value Offered as Inducement. Except as
31 provided in subclause (ii), for any licensee under the
32 provisions of this article, or the board or any manufacturer, or
33 any employe or agent of a manufacturer, licensee or of the
34 board, to offer to give anything of value or to solicit or
35 receive anything of value as a premium for the return of caps,
36 stoppers, corks, stamps or labels taken from any bottle, case,
37 barrel or package containing liquor or malt or brewed beverage,
38 or to offer or give or solicit or receive anything of value as a
39 premium or present to induce directly the purchase of liquor or
40 malt or brewed beverage, or for any licensee, manufacturer or
41 other person to offer or give to trade or consumer buyers any
42 prize, premium, gift or other inducement to purchase liquor or
43 malt or brewed beverages, except advertising novelties of
44 nominal value which the board shall define. This section shall
45 not prevent any manufacturer or any agent of a manufacturer from
46 offering and honoring coupons which offer monetary rebates on
47 purchases of wines and spirits through State Liquor Stores or
48 purchases of malt or brewed beverages through distributors and
49 importing distributors in accordance with conditions or
50 regulations established by the board. The board may redeem
51 coupons offered by a manufacturer or an agent of a manufacturer

1 at the time of purchase. Coupons offered by a manufacturer or an
2 agent of a manufacturer shall not be redeemed without proof of
3 purchase. This section shall not apply to the return of any
4 monies specifically deposited for the return of the original
5 container to the owners thereof.

6 (ii) Notwithstanding subclause (i) or any other provision of
7 law, a holder of a restaurant license that is also approved to
8 hold a slot machine license or a conditional slot machine
9 license under 4 Pa.C.S. Part II (relating to gaming) may give
10 liquor and malt or brewed beverages free of charge to any person
11 [actively engaged in playing a slot machine] of age and within
12 the licensed facility.

13 * * *

14 (35) Sale of wine received by direct-to-store or direct
15 shipment. For any licensee to sell or offer to sell any wine
16 purchased or acquired, directly or indirectly, from a licensee
17 pursuant to the authority of section 488, or from a licensee
18 pursuant to the authority of section 489.

19 Section 14. Section 499(a.1) of the act, amended October 5,
20 1994 (P.L.522, No.77), is amended to read:

21 Section 499. Premises to be Vacated by Patrons.--* * *

22 (a.1) Subsection (a) shall not apply to sales of malt and
23 brewed beverages for consumption off the premises when the
24 following conditions are met:

25 (1) no licensee may sell malt or brewed beverages in excess
26 of [one hundred ninety-two fluid ounces] three hundred eighty-
27 four ounces in not more than twenty-four original containers in
28 a single sale to one person as provided in section 407, provided
29 the licensee may not sell a package as prepared for sale or
30 distribution by the manufacturer containing more than twelve
31 containers, in any one sale for consumption off the premises;

32 (2) sales and service of malt and brewed beverages for
33 consumption off the premises are made prior to the designated
34 time the licensee is required by this act to cease serving
35 liquor, malt or brewed beverages;

36 (3) persons who have purchased malt and brewed beverages for
37 consumption off the premises shall remove the malt and brewed
38 beverages from the premises by the designated time as contained
39 in this act that patrons are required to vacate the premises;

40 (4) no club licensee may sell any malt or brewed beverage
41 for consumption off the premises where sold or to any persons
42 who are not members of the club.

43 * * *

44 Section 14.1. Section 505.2(a)(6.1) of the act, amended June
45 28, 2011 (P.L.55, No.11), is amended and the section is amended
46 by adding a clause to read:

47 Section 505.2. Limited Wineries.--(a) In the interest of
48 promoting tourism and recreational development in Pennsylvania,
49 holders of a limited winery license may:

50 * * *

51 (6.1) Sell food for consumption on or off the licensed

1 premises and at the limited winery's additional board-approved
2 locations and sell by the glass, at the licensed premises and at
3 the limited winery's additional board-approved locations, [only]
4 wine and alcoholic ciders that may otherwise be sold by the
5 bottle. In addition, the holder of a limited winery license may
6 sell for consumption on the licensed premises and at the limited
7 winery's additional board-approved locations, liquor produced by
8 a licensed limited distillery and malt or brewed beverages
9 produced by a licensed brewery.

10 * * *

11 Section 14.2. Section 505.4(b)(1) and (c)(1) of the act,
12 amended December 22, 2011 (P.L.530, No.113), are amended to
13 read:

14 Section 505.4. Distilleries.--* * *

15 (b) (1) The board may issue a limited distillery license
16 that will allow the holder thereof to operate a distillery that
17 shall not exceed production of one hundred thousand (100,000)
18 gallons of distilled liquor per year. The holder of the license
19 may manufacture and sell bottled liquors produced on the
20 licensed premises to the board, to entities licensed by the
21 board and to the public between the hours of nine o'clock
22 antemeridian and eleven o'clock postmeridian so long as a
23 specific code of distilled liquor which is listed for sale as a
24 stock item by the board in State liquor stores may not be
25 offered for sale at a licensed limited distillery location at a
26 price which is lower than that charged by the board and under
27 such conditions and regulations as the board may enforce. The
28 holder of a limited distillery license may also sell wines
29 produced by a licensed limited winery or malt or brewed
30 beverages produced by a licensed brewery.

31 * * *

32 (c) (1) The holder of a distillery license as issued under
33 section 505 may sell bottled liquors produced on the licensed
34 premises to the board, to entities licensed by the board and to
35 the public between the hours of nine o'clock antemeridian and
36 eleven o'clock postmeridian so long as a specific code of
37 distilled liquor which is listed for sale as a stock item by the
38 board in State liquor stores may not be offered for sale at a
39 licensed distillery location at a price which is lower than that
40 charged by the board and under such conditions and regulations
41 as the board may enforce. The holder of a limited distillery
42 license may also sell wines produced by a licensed limited
43 winery or malt or brewed beverages produced by a licensed
44 brewery.

45 * * *

46 Section 14.3. The act is amended by adding a section to
47 read:

48 Section 1002. Small Brewers Tax Credits.--(a) A tax credit
49 or credits shall be allowed for each calendar year to a
50 taxpayer, not to exceed in total amount the amount of qualifying
51 capital expenditures made by the taxpayer and certified by the

1 secretary.

2 (b) A taxpayer desiring to claim a tax credit or credits
3 under this section shall, within one year of the date of the
4 original purchase of the qualifying capital expenditures, in
5 accordance with regulations promulgated by the secretary, report
6 annually to the secretary the nature, amounts and dates of
7 qualifying capital expenditures made by him and such other
8 information as the secretary shall require. If satisfied as to
9 the correctness of such a report, the secretary shall issue to
10 the taxpayer a certificate establishing the amount of qualifying
11 capital expenditures made by the taxpayer and included within
12 said report. The taxpayer shall also provide to the secretary
13 the number of employees, total production of malt or brewed
14 beverages and the amount of capital expenditures made by the
15 taxpayer at each location operated by the taxpayer or a parent
16 corporation, subsidiary, joint venture or affiliate. The
17 taxpayer shall notify the secretary of any contract for
18 production held with another manufacturer. The secretary shall
19 file a report annually with the Secretary of the Senate and with
20 the Chief Clerk of the House of Representatives outlining the
21 employment, production, expenditures and tax credits authorized
22 under this section.

23 (c) Upon receipt from a taxpayer of a certificate from the
24 secretary issued under subsection (a), the secretary shall grant
25 a tax credit or credits in the amount certified against any tax
26 due under Article XX of the act of March 4, 1971 (P.L.6, No.2),
27 known as the "Tax Reform Code of 1971" in the calendar year in
28 which the expenditures were incurred or against any tax becoming
29 due from the taxpayer under Article XX of the "Tax Reform Code
30 of 1971," in the following three calendar years. No credit shall
31 be allowed against any tax due for any taxable period ending
32 before January 1, 2013, and no taxpayer shall be eligible to
33 receive a tax credit for a qualifying expenditure made on or
34 before December 31, 2009.

35 (d) (1) As used in this section, the following words and
36 phrases shall have the meanings given to them in this subsection
37 unless the context clearly indicates otherwise:

38 "Amounts paid" shall mean:

39 (i) amounts actually paid; or

40 (ii) at the taxpayer's election, amounts promised to be paid
41 under firm purchase contracts actually executed during any
42 calendar year: Provided, however, That there shall be no
43 duplication of "amounts paid" under this definition.

44 "Qualifying capital expenditures" shall mean amounts paid by
45 a taxpayer for the purchase of items of plant, machinery or
46 equipment for use by the taxpayer within this Commonwealth in
47 the manufacture and sale of malt or brewed beverages: Provided,
48 however, That the total amount of qualifying capital
49 expenditures made by a taxpayer within a single calendar year
50 shall not exceed two hundred thousand dollars (\$200,000) and
51 must have been made on or after January 1, 2010.

1 "Secretary" shall mean the Secretary of Revenue where not
2 otherwise qualified.

3 "Taxpayer" shall mean a manufacturer of malt or brewed
4 beverages claiming a tax credit or credits under this section
5 after making a qualifying capital expenditure.

6 (2) Except as otherwise provided in clause (1), the
7 definitions in section 2002 of the "Tax Reform Code of 1971"
8 shall apply to this section.

9 Section 15. This act shall take effect in 60 days.