

# Administrative Rule Analysis

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**Wine**

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**Rule Set No.: 2015-010 LR**  
**Submitted to JCAR on: 02/03/2017**

Analysis available at  
<http://www.house.mi.gov/hfa>

**Department: Licensing and Regulatory Affairs**  
**Agency: Liquor Control Commission**  
**Enabling Statute: Michigan Liquor Control Code, 1998 PA 58, MCL 436.1215(1)**

**Analysis Complete to: 02/17/2017**

## **BACKGROUND AND SUMMARY OF PROPOSED RULES**

Rule set 2015-010 LR updates the Liquor Control Commission's Wine rules, which have not been updated since 2000. The intention of the rule set is to provide business regulations applicable to those applying for a wholesale, outstate seller, or manufacturer license that want to produce, import, sell, and deliver wine in Michigan. The rule set also provides regulations regarding tax reports, monthly operations reports, inspections, enforcement, and wine and mixed spirit drink labels.

These changes are necessary to reflect the implementation of 2014 PA 49, which stipulates that beginning on and after February 1, 2015 the excise tax on wine and mixed spirit drinks manufactured outside of this state must be paid by the wholesaler assigned to distribute the product instead of the outstate seller. 2014 PA 49 also provides that a wine manufacturer or mixed spirit drink manufacturer may designate a wholesaler to pay the excise tax if the wine or mixed spirit drink is manufactured in this state, otherwise the tax must be paid by the manufacturer. Lastly, 2014 PA 49 requires the Liquor Control Commission to establish a method for the collection of the tax and reporting requirements for wholesalers and outstate sellers of wine and mixed spirit drink.

## **FISCAL IMPACT OF PROPOSED RULES**

Rule set 2015-010 LR would not have significant fiscal impacts on the Department of Licensing and Regulatory Affairs, nor on other units of state or local government.

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