

ASSEMBLY BILL NO. 437—ASSEMBLYMEN CHRISTENSEN, KNECHT, CLABORN, OHRENSCHALL, KOIVISTO, ANDERSON, ANDONOV, ANGLE, ATKINSON, BEERS, BROWN, CARPENTER, CHOWNING, COLLINS, CONKLIN, GEDDES, GIBBONS, GOICOECHEA, GOLDWATER, GRADY, GRIFFIN, HARDY, HETTRICK, HORNE, LESLIE, MABEY, MANENDO, MARVEL, MCCLAIN, MCCLEARY, MORTENSON, OCEGUERA, PARKS, PERKINS, PIERCE, SHERER, WEBER AND WILLIAMS (BY REQUEST)

MARCH 17, 2003

JOINT SPONSORS: SENATORS TOWNSEND, RAWSON, RHOADS AND WASHINGTON

Referred to Committee on Taxation

SUMMARY—Revises definition of “supplier” for purposes of tax on and sale of liquor. (BDR 32-1161)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to alcoholic beverages; revising the definition of “supplier” for the purposes of the tax on and the sale of liquor; authorizing a retail liquor store that holds a nonrestricted license to transfer an original package of beer to another retail liquor store that holds a nonrestricted license under certain circumstances; requiring the Attorney General to enforce certain provisions governing the sale of alcoholic beverages; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:



* A B 4 3 7 R 1 *

1 **Section 1.** NRS 369.111 is hereby amended to read as follows:
2 369.111 As used in this chapter, "supplier" means, with respect
3 to liquor which is brewed, distilled, fermented, manufactured,
4 produced or bottled:

5 1. Outside the United States ~~[-the]~~ :

6 (a) *The brewer, distiller, manufacturer, producer, vintner or*
7 *bottler of the liquor, or his designated agent; or*

8 (b) *The owner of the liquor when it is first transported into any*
9 *area under the jurisdiction of the United States Government ~~[-]~~, if*
10 *the brewer, distiller, manufacturer, producer, vintner or bottler of*
11 *the liquor, or a designated agent of such a person, has not*
12 *designated an importer to import the liquor into this state; or*

13 2. Within the United States but outside this state, the brewer,
14 distiller, manufacturer, producer, vintner or bottler of the liquor, or
15 his designated agent.

16 **Sec. 2.** NRS 369.486 is hereby amended to read as follows:

17 369.486 1. A wholesaler who is not the importer designated
18 by the supplier pursuant to NRS 369.386 may purchase liquor only
19 from:

20 (a) The importer designated by the supplier pursuant to NRS
21 369.386 to import that liquor; or

22 (b) A wholesaler who purchased the liquor from the importer
23 designated by the supplier pursuant to NRS 369.386 to import that
24 liquor.

25 2. As used in this section, "supplier" means the brewer,
26 distiller, manufacturer, producer, vintner or bottler of liquor ~~[-]~~, *or*
27 *his designated agent.*

28 **Sec. 3.** NRS 369.4865 is hereby amended to read as follows:

29 369.4865 1. ~~[-A]~~ *Except as otherwise provided in subsection*
30 *2, a* retail liquor store that holds a nonrestricted license may transfer
31 an original package of liquor to another retail liquor store that holds
32 a nonrestricted license, and that other retail liquor store may receive
33 the original package of liquor pursuant to the transfer, if:

34 (a) Each retail liquor store:

35 (1) Holds its nonrestricted license for the purposes set forth
36 in subsection 2 of NRS 463.0177; and

37 (2) Is in the marketing area of the wholesale dealer from
38 which the original package of liquor was obtained by the initial
39 retail liquor store;

40 (b) The initial retail liquor store:

41 (1) Obtained the original package of liquor in compliance
42 with the provisions of this chapter;

43 (2) Is an affiliate of the retail liquor store that receives the
44 transfer; and



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1 (3) Does not charge the retail liquor store that receives the
2 transfer for the original package of liquor;

3 (c) Immediately before the transfer, the original package of
4 liquor is located at the initial retail liquor store; and

5 (d) Pursuant to the transfer, the original package of liquor is
6 transported from the initial retail liquor store to the other retail
7 liquor store.

8 2. *A retail liquor store that holds a nonrestricted license may*
9 *transfer an original package of beer to another retail liquor store*
10 *that holds a nonrestricted license, and that other retail liquor store*
11 *may receive the original package of beer pursuant to the transfer,*
12 *if the wholesale dealer of the beer authorizes, in writing, the*
13 *nonrestricted licensee to make such a transfer.*

14 3. A transfer authorized by this section shall not be deemed a
15 sale.

16 ~~[3-]~~ 4. A retail liquor store that transfers or receives an original
17 package of liquor as authorized by this section:

18 (a) Shall not be deemed to be engaged in business as a
19 wholesale dealer based upon the transfer authorized by this section.

20 (b) Notwithstanding the provisions of subsection 5 of NRS
21 369.450, may transport the original package of liquor from the
22 initial retail liquor store to the other retail liquor store without a
23 special permit for such transportation.

24 ~~[4-]~~ 5. As used in this section:

25 (a) "Affiliate" has the meaning ascribed to it in NRS 463.0133.

26 (b) ~~["Liquor" does not include beer.~~

27 ~~—(c)]~~ "Marketing area" has the meaning ascribed to it in NRS
28 597.136.

29 ~~[(d)]~~ (c) "Nonrestricted license" has the meaning ascribed to it
30 in NRS 463.0177.

31 **Sec. 4.** NRS 369.488 is hereby amended to read as follows:

32 369.488 1. Except as otherwise provided in NRS 369.4865, a
33 retailer may purchase liquor only from:

34 (a) The importer designated by the supplier pursuant to NRS
35 369.386 to import that liquor if that importer is also a wholesaler; or

36 (b) A wholesaler who purchased liquor from the importer
37 designated by the supplier pursuant to NRS 369.386 to import that
38 liquor.

39 2. As used in this section, "supplier" means the brewer,
40 distiller, manufacturer, producer, vintner or bottler of liquor ~~[]~~, *or*
41 *his designated agent.*

42 **Sec. 5.** Chapter 597 of NRS is hereby amended by adding
43 thereto a new section to read as follows:

44 1. *Except as otherwise provided in NRS 228.380, the Attorney*
45 *General shall enforce the provisions of NRS 597.120 to 597.260,*



1 *inclusive, and shall cause appropriate legal action to be taken to*
2 *enforce those provisions.*

3 *2. This section does not prohibit:*

4 *(a) A wholesaler from bringing an action against a supplier*
5 *pursuant to NRS 597.170.*

6 *(b) A customer, supplier or wholesaler from bringing an action*
7 *against a retailer pursuant to NRS 597.260.*

8 **Sec. 6.** This act becomes effective on July 1, 2003.

