December 2022 Legal & Legislative Update

FEDERAL/NATIONAL/INTERNATIONAL

For more information on federal issues of importance to brewers, please link to BA's <u>Federal Affairs Updates</u>.

TTB Industry Circular Addresses Social Media Advertising

The Alcohol and Tobacco Tax and Trade Bureau (TTB) has published Industry Circular 2022-2, <u>Use of Social Media in the Advertising of Alcohol Beverages</u>, which updates and supersedes Industry Circular 2013-1 to account for various new forms of social media used to advertise alcohol beverages under the provisions of the Federal Alcohol Administration Act (FAA Act) and TTB regulations. This guidance covers both required mandatory statements and prohibited practices or statements.

TTB addresses nine specific forms of social media in the guidance, but cautions that the list is not meant to be all-inclusive and that the principles set out in the circular should be applied to **other types of social media that have been or will be developed**. The nine areas are:

- Websites and Mobile Websites
- Social Network Services (Facebook, LinkedIn, etc.)
- Media Sharing Sites (Instagram, YouTube, etc.)
- Blogs
- Microblogs (Twitter, Tumblr, etc.)
- Crowdsourcing/Crowdfunding Sites (Kickstarter, GoFundMe, etc.)
- Mobile Apps
- Links/Quick Response Codes/Augmented Reality
- Social Media Influencers

Full details may be accessed at:

Industry Circular 2022-2 – Use of Social Media in the Advertising of Alcohol Beverages

THE STATES

Montana

Draft L.C. 414 addresses the registration of out-of-state breweries, certain sales and shipping of beer and revises laws related to beer shipped by beer wholesalers.

Draft legislation (<u>LC 415</u> / S.B. 20) addresses a variety of tax issues related to alcohol beverages. Specific to brewers, it clarifies that licensed brewers selling directly to retailers, special permittees, or the public is liable for paying the tax imposed on beer and specifies a tax due date on such sales.

<u>LC 431</u> (H.B. 48) seeks to allow breweries, distilleries, and wineries to maintain and operate storage depots.

Among several provisions, <u>LC 440</u> specifies that a brewer, beer importer, or beer wholesaler may not sell or deliver beer unless a retail licensee pays within 7 days of the delivery and may not extend more than 7 days' credit for payment for the beer to a the retail licensee.

<u>LC 465</u> seeks to revise the collection of taxes on beer, wine, and hard cider from monthly to quarterly.

New Jersey

<u>Assembly Bill 4845</u> and companion S.B. 3058 provide tax credits equal to cost of Jersey Fresh products purchased by breweries and wineries to be used in production of beer or wine.

Oklahoma

Pre-filed <u>Senate Bill 8</u> would, among several provisions, allow brewers and small brewers to host off-site events under specified conditions.

South Carolina

Pre-filed <u>House Bill 3144</u> provides that the sale of alcoholic liquors on Sunday may be authorized by referendum.

Virginia

Pre-filed S.B. 809 would require licensees that sell wine and beer for off-premises consumption, when displaying such wine and beer outside a clearly discernible location reserved solely for alcoholic beverages, to not place such wine or beer in an area immediately adjacent to nonalcoholic beverages containing the same or similar brand name, logo, or packaging as an alcoholic beverage and equip any such display with signage that indicates the product.