

## GUIDANCE DOCUMENT

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This guidance document may change with updated information or added examples. The Nebraska Liquor Control Commission recommends you check this document for the most up to date information regarding this guidance.

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**In the 2023 Legislative Session of the Nebraska Unicameral LB376 was adopted which included, but is not limited to, a limited self-distribution of spirits and RTDs produced by a Nebraska Microdistillery on their premise.**

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**Nebraska Revised Statute 53-123.16 was amended to add a second subsection:**

(2) A holder of a microdistillery license may directly sell for resale up to five hundred gallons per calendar year of microdistilled products produced at its licensed premises directly to retail licensees located in the State of Nebraska which hold the appropriate retail license if the holder of the microdistillery license:

- (a) Self-distributes its microdistilled products utilizing only persons employed by the microdistillery licensee; and
- (b) Complies with all relevant statutes, rules, and regulations that apply to Nebraska wholesalers regarding distribution of microdistilled products.
- (3) A holder of a microdistillery license may store and warehouse tax-paid products produced on such licensee's licensed premises in a designated, secure, offsite storage facility if the holder of the microdistillery license receives authorization from the commission and notifies the commission of the location of the storage facility and maintains, at the microdistillery and at the storage facility, a separate perpetual inventory of the product stored at the storage facility. Consumption of alcoholic liquor at the storage facility is strictly prohibited.
- (4) The commission may adopt and promulgate rules and regulations relating to the distribution rights of microdistillery licensees.

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**Invoice Guidance:**

Invoices to retailers are required to have the following items:

- Retailer Name and Address
- Distillery Name and Address
- All products sold and sizes thereof
- Total gallonage sold to retailer
- Final Price
- Signatures of both delivery driver and receiver at retailer

Invoices are required to be provided with monthly reports for the first three months of the microdistillery conducting self-distribution. Normal record retention will also be required for all invoices.

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**Payment Requirements:**

- No credit exceeding 30 days shall be extended to retailers for the purchase of spirits. (Nebraska Revised Statute 53-168 (1))
- Retailers who fail to pay invoices within 30 days may be reported to the Commission utilizing the [Delinquent Credit form](#).

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**Reporting Requirements:**

- Sales to Retailers will be reported on the “Sales to Nebraska Wholesalers” section of the monthly excise tax return. (Form 35-7137)
- Invoices must be included for the first three (3) months of self-distribution for a microdistillery.
- After the first three months a spreadsheet may be included in lieu of invoices providing the spreadsheets include the following:
  - Name of retailer
  - Address of retailer
  - Product names
  - Product sizes
  - Total gallonage sold to retailer

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**Employee Requirements:**

- Employees must only work for one microdistillery for the purposes of delivery.

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**Offsite Storage Requirements:**

Requests for offsite storage must be made to the Commission before offsite storage is granted.

- Requests will be on a form as provided by the Commission.
- There shall be no consumption on the premise of any alcoholic beverages.
- A perpetual inventory must be kept at both the offsite location as well as the primary distillery location of what is stored at the offsite location.
- Product transferred to the offsite storage must be tax paid.
  - Offsite product will be reported under “Internal Sales” as “Transfer to Offsite Storage”
  - Any product sold to Nebraska Wholesalers, Nebraska Retailers, or Out of State from the offsite storage shall be reported as follows:
    - On “Internal Sales” the product will be reported as “Sales to Nebraska Wholesaler,” “Sale to Nebraska Retailer,” or “Sale out of State” as a negative number reflecting the gallonage being sold to the respective area removed from the offsite storage.
    - For Sales to Nebraska Wholesalers the product will be reported as normal on the “Sales to Nebraska Wholesalers” form.
    - For Sales to Nebraska Retailers sales will be reported as outlined above.
    - For Sales to Out of State sales will be reported as normal as “Shipments Out-of-State” with the normal record requirements.
- Offsite storage cannot be used for the barrel aging of spirits as all transfers to offsite storage must be tax-paid.