

SECTION .1700 - RETAIL SALES OF ALCOHOLIC BEVERAGES

14B NCAC 15A .1701 REMOVAL OF BEVERAGES FROM ABC STORES

(a) Except as allowed pursuant to Paragraph (b) of this Rule, spirituous liquor, either distressed or otherwise, shall not leave the custody of a local board after receipt unless:

- (1) The spirituous liquor is sold at retail;
- (2) The liquor is returned to the State ABC warehouse; or
- (3) The liquor is purchased, exchanged, or otherwise obtained by another local board as provided by 14B NCAC 15A .1301(e).

Any spirituous liquor otherwise leaving the local board is nontaxpaid spirituous liquor.

(b) Distressed Liquor. Distressed liquor shall be given to a public or private hospital for medicinal purposes only or destroyed and the destruction witnessed by the manager, or the manager's designee, in accordance with this Paragraph. The local board shall notify the distiller, or a representative of the distiller, in writing of the intent to destroy the distressed liquor, and obtain the distiller's, or a representative of the distiller's, written approval to destroy the distressed liquor. The distiller, or a representative of the distiller, shall be given an opportunity to:

- (1) be present in person or by video conference at the destruction; or
- (2) request proof of destruction by photographs or video recordings showing the distressed liquor before and after the destruction.

(c) A Destruction of Unsalable Merchandise Report shall be completed and signed by the party destroying the distressed liquor and the party approving the destruction on behalf of the distiller. The report shall contain the following:

- (1) the name of the entity submitting the report;
- (2) the date of the report;
- (3) the name of the distiller of the distressed liquor;
- (4) the product code and brand name of the distressed liquor;
- (5) the quantity of bottles being destroyed;
- (6) the cost of each bottle;
- (7) the total cost of all bottles destroyed;
- (8) an explanation of the type of damage that makes the liquor distressed;
- (9) the name and title of the distiller, or representative of the distiller, who provided written approval to destroy the distressed liquor; and
- (10) the date the approval to destroy was given.

A written or electronic copy of the report shall be sent to the distiller and a written or electronic copy shall be sent quarterly to the Commission by the local board. The original shall be retained by the local board for a period of three years.

(d) No sales of alcoholic beverages shall be made to employees, board members, or other retail customers on credit. This does not prohibit purchases made by the use of credit cards.

History Note: Authority G.S. 18B-100; 18B-207; 18B-806; 18B-807; S.L. 2018-100, s. 2; Eff. January 1, 1982; Amended Eff. January 1, 2011; July 1, 1992; May 1, 1984; Transferred and Recodified from 04 NCAC 02R .1701 Eff. August 1, 2015; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 22, 2015; Amended Eff. April 1, 2019.