

123.43A Native distilleries.

1. Subject to rules of the department, a native distillery holding a class “A” native distilled spirits license issued pursuant to [section 123.43](#) may sell or offer for sale native distilled spirits. As provided in [this section](#), sales of native distilled spirits manufactured on the premises may be made at retail for off-premises consumption when sold on the premises of the native distillery that manufactures native distilled spirits. All sales intended for resale in this state shall be made through the state’s wholesale distribution system.

2. A native distillery shall not sell more than nine liters per person per day, of native distilled spirits on the premises of the native distillery. However, a native distillery shall not directly ship native distilled spirits for sale at retail. The native distillery shall maintain records of individual purchases of native distilled spirits at the native distillery for three years.

3. A native distillery shall not sell native distilled spirits other than as permitted in [this chapter](#) and shall not allow native distilled spirits sold for consumption off the premises to be consumed upon the premises of the native distillery. However, native distilled spirits may be tasted pursuant to the rules of the department on the premises where fermented, distilled, or matured, when no charge is made for the tasting.

4. The sale of native distilled spirits to the department for wholesale disposition and sale by the department shall be subject to the requirements of [this chapter](#) regarding such disposition and sale.

5. A native distillery issued a class “A” native distilled spirits license shall file with the department, on or before the fifteenth day of each calendar month, all documents filed by the native distillery with the alcohol and tobacco tax and trade bureau of the United States department of the treasury, including all production, storage, and processing reports.

6. *a.* Notwithstanding any provision of [this chapter](#) to the contrary or the fact that a person is the holder of a class “A” native distilled spirits license, a native distillery may be granted a class “C” retail alcohol license as defined in [section 123.30](#) for the same premises licensed under a class “A” native distilled spirits license where the manufacturing of native distilled spirits occurs. A native distillery may be granted not more than two class “C” retail alcohol licenses. A native distillery may be issued a class “C” retail alcohol license regardless of whether the native distillery is also a manufacturer of beer pursuant to a class “A” beer permit or a manufacturer of native wine pursuant to a class “A” wine permit.

b. Notwithstanding any provision of [this chapter](#) to the contrary or the fact that a person is the holder of a class “A” native distilled spirits license, a native distillery may be granted a five-day class “C” retail alcohol license as described in [section 123.34](#) for premises other than the premises licensed under a class “A” native distilled spirits license where the manufacturing of native distilled spirits occurs. A native distillery may be granted not more than six five-day class “C” retail alcohol licenses during a calendar year. A native distillery may be issued a five-day class “C” retail alcohol license regardless of whether the native distillery is also a manufacturer of beer pursuant to a class “A” beer permit or a manufacturer of native wine pursuant to a class “A” wine permit.

7. A native distillery may sell the native distilled spirits it manufactures to customers outside the state.

8. A manufacturer may use the space and equipment of another manufacturer for the purpose of manufacturing native distilled spirits, provided that such an alternating proprietorship arrangement is approved by the alcohol and tobacco tax and trade bureau of the United States department of the treasury. A separate class “A” native distilled spirits license shall be issued to each manufacturer, and each manufacturer shall be subject to the provisions of [this chapter](#) and the rules of the department. Notwithstanding [subsection 6](#), not more than one class “C” retail alcohol license shall be issued to a premises with alternating proprietorships.

2010 Acts, ch 1031, §84; 2010 Acts, ch 1193, §40; 2011 Acts, ch 17, §9; 2011 Acts, ch 30, §4; 2015 Acts, ch 53, §1; 2016 Acts, ch 1008, §7; 2017 Acts, ch 119, §45; 2019 Acts, ch 113, §29;

2019 Acts, ch 160, §1; 2020 Acts, ch 1114, §12, 16; 2021 Acts, ch 133, §1; 2022 Acts, ch 1099, §37, 38, 88; 2023 Acts, ch 19, §2415; 2024 Acts, ch 1087, §2, 3

Subsection 6 amended

NEW subsection 8