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# HOUSE BILL No. 1349

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 7.1-3-10-14; IC 7.1-5-5.

**Synopsis:** Mail-in rebates and coupons on liquor products. Allows a liquor manufacturer to offer mail-in rebates and instant redeemable coupons for liquor products sold for consumption off the licensed premises. Provides that all mail-in rebates or redeemable coupons must be attached to or displayed near the liquor product and must be made available to all dealer permittees electing to take part in the rebate or coupon program.

**Effective:** July 1, 2011.

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### Eberhart

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January 18, 2011, read first time and referred to Committee on Public Policy.

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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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## HOUSE BILL No. 1349



A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 7.1-3-10-14 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2011]: **Sec. 14. (a) A liquor manufacturer may offer the following**
- 4 **mail-in rebates or redeemable coupons on the purchase of liquor**
- 5 **products for consumption off the premises:**
- 6 (1) **Mail-in rebates that:**
- 7 (A) **must be remitted by the consumer to the manufacturer**
- 8 **in exchange for a monetary rebate;**
- 9 (B) **must be redeemed by the manufacturer and not by the**
- 10 **dealer permittee; and**
- 11 (C) **may not exceed the purchase price of the liquor**
- 12 **product.**
- 13 (2) **Instant redeemable coupons that dealer permittees may**
- 14 **redeem with the manufacturer:**
- 15 (A) **only upon proof of purchase; and**
- 16 (B) **in accordance with the terms listed on the coupon.**
- 17 (b) **A liquor manufacturer may offer a cross-promotional**



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**mail-in rebate on the simultaneous purchase of an alcoholic beverage product and a nonalcoholic product. The rebate must be redeemed as set forth in subsection (a)(1).**

**(c) A liquor manufacturer may offer a cross-promotional instant redeemable coupon on the simultaneous purchase of an alcoholic beverage product and a nonalcoholic product. The coupon must be redeemed as set forth in subsection (a)(2).**

**(d) All mail-in rebates or redeemable coupons must be attached to or displayed near the liquor product. All mail-in rebates or redeemable coupons must be made available to all dealer permittees electing to take part in the rebate or coupon program.**

SECTION 2. IC 7.1-5-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. ~~Acceptance of Gift by Retailer Prohibited.~~ It is unlawful for a person who holds a retailer's or dealer's permit of any type to receive or accept from a manufacturer of alcoholic beverages, or from a permittee authorized to sell and deliver alcoholic beverages, a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, or lease, rehabilitation, decoration, improvement, or repair of premises. **This section does not apply to redemption of an instant redeemable coupon by a dealer permittee under IC 7.1-3-10-14.**

SECTION 3. IC 7.1-5-5-11, AS AMENDED BY P.L.224-2005, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) Except as provided in subsections (c) and (d), it is unlawful for a manufacturer of alcoholic beverages or a permittee authorized to sell and deliver alcoholic beverages to:

(1) give, supply, furnish, or grant to another permittee who purchases alcoholic beverages from ~~him~~ **the manufacturer or permittee** a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, lease, or rental of premises; or

(2) except as provided in IC 7.1-3-2-9 and IC 7.1-3-3-5(f), have a business dealing with the other permittee.

(b) This section shall not apply to the sale and delivery and collection of the sale price of an alcoholic beverage in the ordinary course of business. **This section does not apply to redemption of an instant redeemable coupon by a dealer permittee under IC 7.1-3-10-14.**

(c) If the promotional program is approved under the rules adopted by the commission and is conducted in all wholesaler establishments through which the manufacturer distributes alcoholic beverages in Indiana, a manufacturer of alcoholic beverages may award bona fide

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1 promotional prizes and awards to any of the following:  
2 (1) A person with a wholesaler's permit issued under IC 7.1-3.  
3 (2) An employee of a person with a wholesaler's permit issued  
4 under IC 7.1-3.  
5 (d) A manufacturer may offer on a nondiscriminatory basis bona  
6 fide incentives to wholesalers when the incentives are determined  
7 based on sales to retailers or dealers occurring during specified times  
8 for specified products. The incentive may be conditioned on the  
9 wholesaler selling a:  
10 (1) specified product at a specified price or less than a specified  
11 price; or  
12 (2) minimum quantity of a specified product to a single customer  
13 in a single transaction.  
14 The incentive may not be conditioned on a wholesaler having total  
15 sales of a minimum quantity of a specified product during the  
16 applicable period.

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