

There seems to be a misconception about whether a certain practice is permitted or prohibited by the Colorado Liquor Code and related regulations.

It is UNLAWFUL for a supplier (wholesaler, manufacturer) to provide free alcohol beverages to the holder of a retail liquor store license for tastings within the liquor store.

Some industry member interpret Regulation 47-322(B)(1) as allowing a supplier to provide their alcohol samples free of charge to a liquor stores for liquor store tastings. That regulation states that *"Suppliers may conduct an on-site product sales promotion at a retailer's licensed premises-subject to the following conditions: Free goods of any value may be provided to the public, provided that a supplier's representative or authorized agent, who is not the retailer or a retail employee/agent, is physically present to award free goods to the public."*

However, Section 12-47-301(10)(c)(II), C.R.S. specifically prohibits suppliers from providing the alcohol for liquor store tastings, free of charge. That section states that *"Tastings shall be subject to the following limitations: The alcohol used in tasting shall be purchased through a licensed wholesaler, licensed brew pub, or winery licensed pursuant to section 12-47-403 at a cost that is not less than the laid-in cost of such alcohol.No manufacturer of spirituous or vinous liquors shall induce a licensee through free goods of financial or in-kind assistance to favor the manufacturer's products being samples at a tasting. The [retail] licensee shall bear the financial and all other responsibility for the tasting."*

Statutory restrictions {(12-47-301(10))} will always supercede any permissive regulation (47-322). So in the case of liquor store tastings, even though it would appear that Reg 47-322 allows a supplier representative to provide samples to consumers in the liquor store premises, without charging the retailer, the statute (12-47-301(10)) specifically prohibits that activity.

Thanks, and feel free to contact us with any questions.

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