Craft breweries help grow communities

SENATE BILL 2321 – 67TH LEGISLATIVE ASSEMBLY OF NORTH DAKOTA

Senate bill 2321 modifies North Dakota Century Code to allow brewpubs and taprooms the same business models as domestic wineries and distilleries in North Dakota. These privileges include direct shipping, event permits issued by the Tax Department, common container language, and contract brewing.

CONSUMER DEMAND: As craft brewing in North Dakota has grown over the past 15 years, consumers continue to ask for local brews in their restaurants and local bars. By producing a quality product and working with distributors, local brewers can meet those demands, and grow their business.

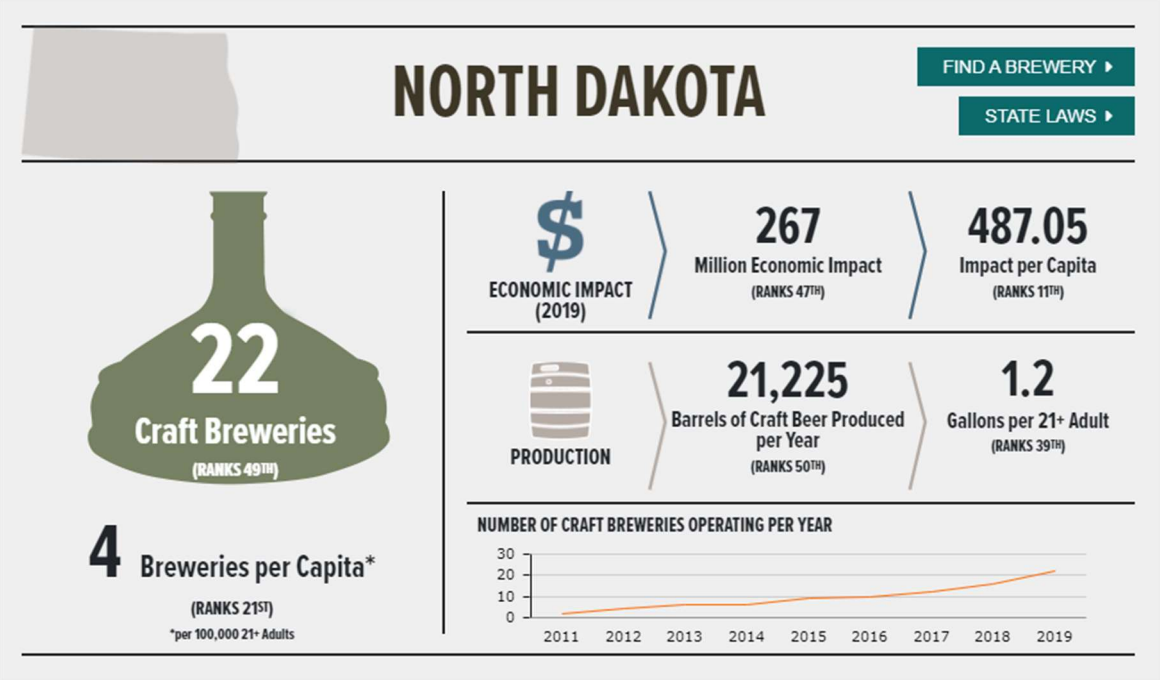
ECONOMIC VALUE TO COMMUNITIES: Locally owned breweries create jobs; help bring tourism dollars to their communities and support local charities and events. SB 2321 allows brewpubs and taprooms up to 40 event permits as determined by the Tax Department.

COMMON PRACTICES: Contract brewing gives North Dakota breweries the ability to have more product made when their facilities may be in maintenance stage, or just to meet demands. SB 2321 also could help smaller in-state taprooms and brewpubs as larger brewers could assist them, particularly after a difficult economic year.

TAX CODE CLEAN UP: The Tax Department has administered alcohol code since the first craft brewer began operations. The wholesalers and distributors as well as the craft beverage producers have worked on the code language, sometimes together, to meet industry and consumer trends. Container size and off-sale amounts in SB 2321 are standardized for both brewpubs and taprooms.

VALUE ADDED AGRICULTURE AND ECONOMIC IMPACT: The Tax Department lists 11 Taprooms and 12 Brewpubs in their 2020 records. Combined, these small businesses help drive the tourism economy in North Dakota and use locally sources grains and products and support North Dakota's value-added agriculture economy.

2019 STATISTICS



NORTH DAKOTA BREWERS GUILD

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