



Dear TLW Members:

State Regulators waive consignment law to allow wholesalers to pick up product. The TTB was first to issue the directive and the Wisconsin Department of Revenue followed the TTB directive. It is legal for wholesalers to pick up beer during the Covid-19 crisis. Wholesalers are not required to pick it up but the law now does not prohibit them from picking up product.

COVID-19 ENFORCEMENT DISCRETION

The Alcohol & Tobacco Tax and Trade Bureau (TTB) released guidance explaining that they will not consider returns of alcohol beverages purchased to sell during certain events cancelled due to COVID-19 to violate Federal consignment rules. The TTB noted the cancellation of “widely-attended events such as parades, festivals, fairs, concerts and sporting events.”

Recently, the Wisconsin Department of Revenue (“DOR”) followed suit, stating it would not take enforcement action surrounding the return of alcohol beverages purchased to sell at subsequently cancelled events.

However, both state and federal regulators noted wholesalers and producers are not required to accept the return of alcohol beverages under these circumstances.

Thank you