



## Washington State Liquor and Cannabis Board

This communication is intended as a clarification to the March 19, 2020, announcement of the allowances for returns. The intent of the temporary allowance relates to beer and malt beverage returns only, and only for beer distributors.

1. The allowance extends only to beer and other malt beverages purchased from a licensed beer distributor. This allowance does not apply to beer purchased from breweries. The allowance also does not apply to spirits, wine, or non-alcoholic products sold by licensed distributors. Beer and malt beverages are unique because they have specific expiration dates that may be exceeded if the product is left for an extended period of time in on-premise retail licensees that are no longer able to serve the product on premise. Other products do not overage in the same manner and may be stored for extended periods of time.
2. This allowance is at the discretion of distributors and does not create a right for retail licenses to demand return of beer and other malt beverages, nor does it mandate a distributor to take product back for a refund. This interpretation is consistent with existing exceptions allowing the giving away of things of value from suppliers and distributors to retailers at the discretion of the supplier or distributor. It is also consistent with the limited exception on returns of beer provided by federal regulators.
3. The allowance for returns of beer and other malt beverages is designed to mitigate the impact of the on premise closure of retail liquor licensees, assist mitigating the impacts to licensed beer distributors, while not creating additional unintended consequences and impacts for other licensees. Returns are only permitted from retailers holding one of the following licenses:
  - Taverns
  - Snack Bars
  - Special Occasion
  - Non-profit Arts
  - Restaurants for on premises consumption
  - Private Dining Room
  - Private Club
  - Sports and Entertainment Facilities
  - Nightclubs
  - Theaters