

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
VIRGINIA ALCOHOLIC BEVERAGE CONTROL COMMISSION
RICHMOND

September 7, 1988

**CIRCULAR LETTER
88-3**

**TO: ALL MANUFACTURERS, BOTTLERS, WHOLESALERS, AND RETAIL
LICENSEES**

**SUBJECT: SECTION § 4-79, VIRGINIA CODE, GIFTS OF MONEY OR PROPERTY
BY MANUFACTURERS, BOTTLERS OR WHOLESALERS TO RETAIL
LICENSEES OF THE BOARD.**

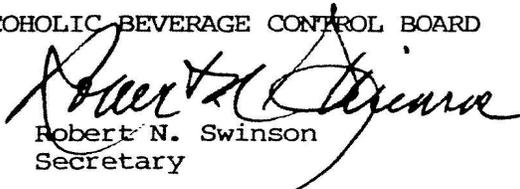
PURPOSE: The purpose of this Circular Letter is to advise those concerned of a recent interpretation by the Board on whether manufacturers, bottlers or wholesalers may permit their business premises to be used by retail licensees of the Board for meetings or other activities.

BACKGROUND: Virginia's "tied-house" law, specifically § 4-79 of the Code of Virginia, is a penal statute and states, in part, that "(i)f any manufacturer, bottler or wholesaler of alcoholic beverages ... either directly or indirectly shall ... give to any person who holds any retail license ... or to the owner of the premises on which the business of any such person so licensed is conducted ... any money ... or property, with which the business of such retailer is or may be conducted, or for any other purpose, including a gift as an inducement or remuneration for other purchases of such beverages, he shall be guilty of a misdemeanor..."

HELD: Section § 4-79 is very broad, and its application extends to both direct and indirect gifts for any purpose. If a wholesaler permits his business premises to be used by a licensed retailer, then it is a § 4-79 violation, and the Board will initiate appropriate action against both the wholesaler and retailer.

INQUIRIES: Inquiries concerning this Circular Letter should be addressed to Robert N. Swinson, Secretary's Office, P.O. Box 27491, Richmond, Virginia 23261, (804) 367-0616.

ALCOHOLIC BEVERAGE CONTROL BOARD


Robert N. Swinson
Secretary