



STATE OF MICHIGAN  
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH  
LIQUOR CONTROL COMMISSION

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ADMINISTRATIVE ORDER

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The Michigan Liquor Control Commission (Commission) has before it a certain matter involving instant coupon transactions.

Section 1029 (2) of the Liquor Control Code of 1998, being MCL 436.2029 (2) provides in part as follows"

" . . . (2) The commission shall provide for a system of non-mail-in or instant coupon transactions that does not diminish the spirit product margins allocated to the state under this act by means of the issuance of an order. . . "

The Commission has reviewed the applicable statutes and concludes that an order should be issued to clearly define the process for instant coupon transactions.

NOW, THEREFORE, PURSUANT TO SECTION 1029 (2) OF THE LIQUOR CONTROL CODE OF 1998, BEING MCL 436.2029 (2), IT IS THE ORDER OF THE COMMISSION THAT A VENDOR OF SPIRITS, MANUFACTURER OF SPIRITS, SMALL DISTILLER, OR BRANDY MANUFACTURER MAY DISTRIBUTE POINT OF SALE MATERIALS ADVERTISING THEIR PRODUCTS AND MAY OFFER CONSUMERS THE OPPORTUNITY TO RECEIVE AN INSTANT CASH REFUND ON THE PURCHASE OF SPIRITS, BE APPROVED, BASED UPON COMPLIANCE WITH THE ALL OF THE FOLLOWING PROVISIONS:

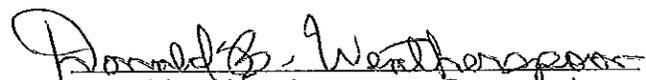
- (1) ALL INSTANT COUPON TRANSACTIONS SHALL BE REDEEMED FOR CASH ONLY.
- (2) ALL INSTANT COUPON TRANSACTIONS SHALL BE REDEEMED BY A THIRD PARTY AGENT WHOSE SERVICES ARE RETAINED BY THE VENDOR OF SPIRITS, MANUFACTURER OF SPIRITS, SMALL DISTILLER, OR BRANDY MANUFACTURER.
- (3) AN EXPIRATION DATE AND THE MAXIMUM CASH REFUND VALUE, WHETHER PER PERSON OR PER HOUSEHOLD, SHALL APPEAR ON THE INSTANT COUPON.
- (4) THE INSTANT COUPON SHALL BE FOR ONE SIZE SPIRIT PRODUCT ONLY.
- (5) THE INSTANT COUPON SHALL INDICATE THAT ITS VALUE CANNOT BE DOULBED OR INCREASD IN ANY MANNER BY THE SPECIALLY DESIGNATED DISTRIBUTOR RETAIL LICENSEE.

- (6) THE CASH REFUND ON SPIRITS SHALL BE LESS THAN THE PRICE PAID BY THE COMMISSION FOR THE SPIRIT PRODUCT, INCLUDING FEDERAL EXCISE TAXES, LISTED AS THE BASE PRICE IN THE STATE LIQUOR PRICE BOOK.
- (7) INSTANT COUPONS PROVIDED BY A VENDOR OF SPIRITS, MANUFACTURER OF SPIRITS, SMALL DISTILLER, BRANDY MANUFACTURER, VENDOR REPRESENTATIVE, OR LICENSED SALESPERSON, MUST BE MADE AVAILABLE TO ALL SPECIALLY DESIGNATED DISTRIBUTOR LICENSEES ELECTING TO OFFER THE INSTANT COUPON IN AN AMOUNT EQUAL TO THE RETAIL LICENSEES'S INVENTORY OF SPIRIT PRODUCTS THAT ARE SUBJECT TO THE INSTANT COUPON PROMOTION.
- (8) CASH REFUND POINT OF SALE MATERIAL MAY BE DISPLAYED BY SPECIALLY DESIGNATED DISTRIBUTOR RETAIL LICENSEES, HOWEVER NO RETAIL LICENSEE'S NAME SHALL APPEAR ON ANY COUPON, NOR SHALL ANY RETAI LICENSEE RECEIVE ANY FEE OR OTHER CONSIDERATION FOR DISPLAYING COUPONS OR ADVERTISING MATERIALS.
- (9) NO REFUND SHALL BE MADE TO ANY PERSON UNDER 21 YEARS OF AGE.

Dated: December 1, 2010

  
Nida R. Samona, Chairperson

  
Pat Gagliardi, Commissioner

  
Donald B. Weatherspoon, Commissioner