



## AT-REST LAWS

At-rest laws provide that once entering a state, **alcoholic beverages come into the possession of a wholesaler or “come to rest” for a certain amount of time at a wholesaler location** before being distributed to retailers.

The alcohol industry operates within **a three-tier distribution system in which alcohol producers can only sell their products to wholesalers, wholesalers can only sell to retailers, and only retailers can sell to consumers.**

**At-rest laws are an integral part of America’s three-tier system** of beverage alcohol distribution which balances regulation with marketplace competition, emphasizing safety, independence, and a level playing field.

### BENEFITS OF AT-REST LAWS



#### TAX COLLECTION

At-rest requirements ensure that state regulators can effectively collect taxes by providing for easily identifiable licensed, physical locations within the state through which alcoholic beverages are distributed.



#### IN-STATE INVESTMENT AND JOBS

At-rest requirements lead to wholesaler investment in the state economy through job creation, construction, and operation of in-state warehouses and distribution facilities, and payment of state, municipal and local taxes.



#### A LEVEL PLAYING FIELD

Requiring that alcoholic beverages come to rest at a wholesaler’s facility maintains a level playing field and ensures that adequate separation exists between the supplier and retail tiers to prevent one from exerting undue influence over the other because of its size and power.



#### PRODUCT INTEGRITY

At-rest laws establish a clear chain of custody preventing counterfeit goods from entering the marketplace. These laws ensure top to bottom accountability and identification in the supply chain – enabling the quick recall of any unsafe products and preventing entrance of tainted or counterfeit products from being sold to consumers.