

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-4186/1dn
PEN:kmg:hmh

January 12, 2000

Senator Roessler:

For purposes of determining whether a brewer is a "small brewer" (and eligible for an unlimited number of Class "B" licenses for qualified restaurants), that brewer's production is considered along with the production of all of the following:

1. All corporations connected to the brewer through stock ownership with a common parent corporation, or owned by the same 5 or fewer owners. Corporations in which the parent corporation, or other owners, owns at least 50% of the voting stock are considered connected to the brewer. See 26 USC 5051 (a) (2) (B).
2. All partnerships and sole proprietorships that are at least 50% owned by an owner common to the brewer. See 27 CFR 25.111b (b).
3. All franchises granted by the brewer. Note that the definition of "franchise", taken from Wisconsin's Franchise Investment Law, is very broad. See s. 553.22 for franchises that are excluded from the Franchise Investment Law but which are considered franchises under this draft.
4. The franchisor of the brewer.
5. All franchises granted by the franchisor of the brewer.

Please read this draft very closely to ensure that it meets your needs.

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