

Keg Deposit Increased to \$30!

Effective on May 11, 2007, the State of Michigan's keg deposit rule was amended to require suppliers and wholesalers to charge a \$30.00 keg deposit. The previous deposit was \$10.00. The rule applies to barrels, ½ barrels, and ¼ barrels but does not include any other sized barrels. Accordingly, both suppliers and wholesalers are free to set the deposit amount for any keg size not covered by the rule, including the increasingly popular 1/6th barrels.

While the Michigan Liquor Control Commission did not mandate a procedure to handle kegs already in the market, it did issue a bulletin indicating that wholesalers and suppliers may only refund \$10.00 for the return of kegs that were subject to a \$10.00 deposit. Providing a refund amount above what was collected as a deposit will be viewed as a violation of Michigan's aide and assistance prohibitions. Currently, beer wholesalers are working with their individual suppliers to ensure that this transition occurs in a smooth and customer friendly manner.

If you have any questions concerning Michigan's keg deposit rule or the manner in which it is being implemented, please contact Spencer Nevins at (517) 482-5555 ext. 15.

