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Advisory Opinion 22-05: Hop Splash Hop Water Commodity Classification

I. **Background**

The following question was posed to the Indiana Alcohol and Tobacco Commission ("Commission"):

I write to request an advisory opinion on the classification of Sierra Nevada Brewing Co.'s Hop Splash brand of hop water. Hop Splash is a beverage consisting of water, hops and carbon dioxide. Hops are used as a flavoring component only, like many other flavored waters.

It is the contention of Sierra Nevada Brewing Co. that Hop Splash is squarely in the commodity category defined in item 6 of The Commission advisory, I.C. 7.1-3-10-5; "an uncooled and uniced charged water, carbonated soda, ginger ale, mineral water, grenadine, and flavoring extracts." Specifically, Hop Splash is a carbonated soda.

II. **Analysis & Conclusion**

Ind. Code § 7.1-3-10-5 provides that "[a] package liquor store's exclusive business shall be in the selling of the following commodities only" and includes the following:

- (1) Liquor in its original package.
- (2) Beer in permissible containers, if the permittee has the proper permit.
- (3) Wine in its original package.
- (4) Bar supplies used in the preparation for consumption of alcoholic beverages and in their consumption.
- (5) Tobacco products.
- (6) Uncooled and uniced charged water, carbonated soda, ginger ale, mineral water, grenadine, and flavoring extracts.
- (7) Printed materials.
- (8) Lottery tickets as provided in IC 4-30-9.
- (9) Cooled or uncooled nonalcoholic malt beverages.
- (10) Flavored malt beverage in its original package.

As indicated above, Sierra Nevada requests that its product, Hop Splash, be considered an allowable commodity for sale at package liquor stores pursuant to number (6), uncooled and uniced charged water, carbonated soda, ginger ale, mineral water, grenadine, and flavoring extracts.

It is the position of the Indiana Alcohol and Tobacco Commission that Hop Splash is a permissible commodity under Ind. Code § 7.1-3-10-5(6). Per Sierra Nevada's explanation of the product, Hop Splash is a carbonated beverage that has the flavor of hops. Sierra Nevada describes Hop Splash on its website as a "sparkling water" and notes that the last step of the manufacturing process is to "carbonate the tank before packaging Hop Splash in cans." SIERRA NEVADA,

https://sierranevada.com/blog/meet-hop-splash-our-sparkling-hop-water/ (last visited January 9, 2023). Therefore, the product falls squarely within the definition of "charged water" or "carbonated soda" under Ind. Code § 7.1-3-10-5(6).

DISCLAIMER: Opinions expressed in this advisory opinion are fact-sensitive and based on the 2022 Indiana Code. Every advisory opinion is made to provide information that is consistent with the appropriate statutes, rules and court decisions. Any information that is not consistent with the law, regulations or court decisions is not binding on either the Commission or the public.