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TENNESSEE ATTORNEY GENERAL SKRMETTI SUES SIX ONLINE BUSINESSES IN FEDERAL COURT TO HALT ILLICIT LIQUOR SHIPMENTS

Nashville – Tennessee Attorney General Jonathan Skrmetti today filed a federal lawsuit to immediately stop the flow of illegal liquor shipments facilitated by six unlicensed out-of-state defendants. The lawsuit, filed in the United States District Court for the Middle District of Tennessee at Nashville, asked for a preliminary and permanent injunction against defendants under the federal Twenty-First Amendment Enforcement Act, 27 U.S.C. 122a, and civil penalties pursuant to the Tennessee Consumer Protection Act Tenn. Code Ann. § 47-18-108(a)(1).

The lawsuit alleges that the defendants unlawfully facilitated shipments of distilled spirits for which no state license is available.

During six separate investigations, undercover agents from the Tennessee Alcoholic Beverage Commission (TABC) purchased and received unauthenticated and untaxed distilled spirits from each defendant. These shipments circumvented the state's three-tier alcohol licensing system that protects consumers in Tennessee by monitoring the manufacture, distribution, and retail sales of all alcohol through state licensure.

After the TABC uncovered the illegal activity, staff attorneys sent each defendant cease and desist letters by certified mail. Ignoring this, each company continued to ship distilled spirits to Tennessee illegally.

Notably, this is the first instance of a Tennessee Attorney General prosecuting a violation of law under the Twenty-First Amendment Enforcement Act. The Act, first passed by the United States Congress in 2000, allows state attorneys general to bring civil actions for injunctive relief against anyone believed to be illegally importing or transporting alcohol within the state.

"I am very happy that General Skrmetti decided to prosecute this case," said Russell Thomas, Executive Director of the TABC. "Our agents and staff worked hard to collect the evidence against these bad actors. Too often, we find websites operated by unscrupulous individuals willing to deceive consumers."

Read more about the Twenty-First Amendment Enforcement Act here.

The lawsuit may be read here.

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