

1 HB3
2 154006-1
3 By Representative Nordgren
4 RFD: Economic Development and Tourism
5 First Read: 14-JAN-14
6 PFD: 10/02/2013

2
3
4
5
6
7
8 SYNOPSIS: This bill would extend the sale of wine by a
9 wine manufacturer to a limited number of satellite
10 tasting rooms and special events for on-site and
11 off-site consumption, with additional licenses for
12 a limited number of off-site tasting rooms and
13 special events, and subject to the existing excise
14 tax on wine sales.

15
16 A BILL
17 TO BE ENTITLED
18 AN ACT
19

20 To add Section 28-3A-6.1 to the Code of Alabama
21 1975, and to amend Sections 28-3A-21 and 28-7-18, Code of
22 Alabama 1975, to provide further for issuance of licenses for
23 the sale of wine off the premises of the manufacturer at
24 tasting rooms and special events; to provide further for a fee
25 for a wine manufacturer tasting room license and a fee for a
26 wine manufacturer special event license; and to apply the

1 existing excise tax on wine sold or dispensed at tasting rooms
2 and special events.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. Section 28-3A-6.1 is added to the Code of
5 Alabama 1975, as follows:

6 §28-3A-6.1.

7 (a) Upon an applicant's compliance with the
8 provisions of this chapter and the regulations adopted
9 thereunder, and with the approval of the municipal or county
10 governing body, the board shall issue a wine manufacturer's
11 special event license to a licensed wine manufacturer or an
12 association of wine manufacturers in this state that allows
13 each respectively to sell and dispense for on premises and off
14 premises consumption table wine or samples of table wine
15 annually at a special event held off the manufacturing
16 facility premises, each lasting no longer than three
17 consecutive days. Sixty days prior to participating at any
18 special event, a wine manufacturer or association shall file
19 with the board an application for a manufacturer's special
20 event license and provide any state or local documentation
21 required by the board. While at the special event, the wine
22 manufacturer or association shall display at all times the
23 manufacturer's special event license. Not more than 10 wine
24 manufacturer's special event licenses per year may be issued
25 to a manufacturer or to an association. The authority granted
26 in this subsection shall be in addition to any other authority
27 provided by law to a manufacturer or association.

1 (b) Upon an applicant's compliance with the
2 provisions of this chapter and the regulations adopted
3 thereunder, and with the approval of the municipal or county
4 governing body, the board shall issue a wine manufacturer's
5 tasting room license that allows a wine manufacturer to sell
6 and dispense table wine for on premises or off premises
7 consumption at a tasting room located off the manufacturing
8 facility premises. Not more than four tasting room licenses
9 may be issued annually to a wine manufacturer. The authority
10 granted in this subsection shall be in addition to any
11 authority provided by law to a wine manufacturer.

12 Section 2. Sections 28-3A-21 and 28-7-18, Code of
13 Alabama 1975, are amended to read as follows:

14 "§28-3A-21.

15 "(a) The following annual license fees are levied
16 and prescribed for licenses issued and renewed by the board
17 pursuant to the authority contained in this chapter:

18 "(1) Manufacturer license, license fee of five
19 hundred dollars (\$500).

20 "(2) Importer license, license fee of five hundred
21 dollars (\$500).

22 "(3) Liquor wholesale license, license fee of five
23 hundred dollars (\$500).

24 "(4) Wholesaler license, beer license fee of five
25 hundred fifty dollars (\$550) or wine license fee of five
26 hundred fifty dollars (\$550); license fee for beer and wine of
27 seven hundred fifty dollars (\$750); plus two hundred dollars

1 (\$200) for each warehouse in addition to the principal
2 warehouse.

3 "(5) Warehouse license, license fee of two hundred
4 dollars (\$200).

5 "(6) Lounge retail liquor license, license fee of
6 three hundred dollars (\$300).

7 "(7) Restaurant retail liquor license, license fee
8 of three hundred dollars (\$300).

9 "(8) Club liquor license, Class I license fee of
10 three hundred dollars (\$300), Class II license fee of seven
11 hundred fifty dollars (\$750).

12 "(9) Retail table wine license for off-premises
13 consumption, license fee of one hundred fifty dollars (\$150).

14 "(10) Retail table wine license for on-premises and
15 off-premises consumption, license fee of one hundred fifty
16 dollars (\$150).

17 "(11) Retail beer license for on-premises and
18 off-premises consumption, license fee of one hundred fifty
19 dollars (\$150).

20 "(12) Retail beer license for off-premises
21 consumption, license fee of one hundred fifty dollars (\$150).

22 "(13) Retail common carrier liquor license, license
23 fee of one hundred fifty dollars (\$150) for each railroad,
24 airline, bus line, ship line, vessel or other common carrier
25 entity with a vehicle passenger capacity of at least 10
26 people.

1 "(14) Special retail license, license fee of one
2 hundred dollars (\$100) for 30 days or less; license fee of two
3 hundred fifty dollars (\$250) for more than 30 days.

4 "(15) Special events retail license, license fee of
5 one hundred fifty dollars (\$150).

6 "(16) Wine manufacturer tasting room license,
7 license fee of one hundred fifty dollars (\$150).

8 "(17) Wine manufacturer special events license,
9 license fee of one hundred fifty dollars (\$150).

10 "(b) The license fees levied and fixed by this
11 section shall be paid before the license is issued or renewed.

12 "(c) In addition to the foregoing filing fee and
13 license taxes or fees, any county or municipality in which the
14 sale of alcoholic beverages is permitted shall be authorized
15 to fix and levy privileges or license taxes on any of the
16 foregoing licenses located or operated therein, conditioned on
17 a permit or license being issued by the board.

18 "(d) No county or municipality shall have any
19 authority to levy a license or tax of any nature on any liquor
20 store.

21 "§28-7-18.

22 "(a) No manufacturer shall sell any table wine
23 direct to any retailer or for consumption on the premises
24 where sold, nor sell or deliver any such table wine in other
25 than original containers, nor shall any manufacturer maintain
26 or operate within this state any place or places, other than
27 the place or places covered by his or its license where table

1 wine is sold or where orders therefor are taken. Provided,
2 further, that table wine which is manufactured in Alabama may
3 be sold directly at retail by the licensed manufacturer only
4 on the manufacturer's premises, at not more than four
5 additional manufacturer tasting rooms located off the premises
6 of the manufacturer, and at not more than 10 special events
7 per year held off the premises of the manufacturer for
8 on-premise or off-premise consumption.

9 "(b) (1) There is hereby levied and assessed, upon
10 wine manufactured in Alabama and sold by the manufacturer
11 directly at retail on the premises where it is manufactured at
12 tasting rooms and at special events, as provided in subsection
13 (a), or dispensed, as free samples of not more than six
14 ounces, in ~~the~~ a tasting room or wine cellar on the
15 manufacturer's premises, an excise tax, measured by and
16 graduated in accordance with the volume of such wine sold or
17 dispensed, in an amount equal to forty-five cents (\$.45) per
18 liter.

19 "(2) The tax hereby levied on retail sales ~~on a~~
20 ~~manufacturer's premises~~ as provided in subdivision (1) shall
21 be added to the sales price of all table wine sold at retail
22 ~~by the manufacturer~~, as provided in subsection (a), and shall
23 be collected from the consumers making the purchases.

24 "(c) The tax levied by subsection (b) shall be
25 collected by a return and remitted, monthly, as follows:

26 "(1) Not later than the fifteenth day of the month
27 following the month in which table wine was dispensed as free

1 samples or sold at retail as provided in subsection (a), the
2 manufacturer shall file with the board, on a form and in the
3 manner prescribed by the board, a return showing taxes due at
4 thirty-eight cents (\$.38) per liter of the table wine
5 dispensed or sold at retail during the previous month; the
6 taxes due at such rate shall be remitted to the board along
7 with the return.

8 "(2) Not later than the fifteenth day of the month
9 following the month in which table wine was dispensed as free
10 samples or sold at retail as provided in subsection (a), the
11 manufacturer shall file with the municipality within which the
12 table wine was dispensed or sold at retail within its
13 corporate limits, or, where dispensed or sold at retail
14 outside of the corporate limits of any municipality, with the
15 county within which the table wine was dispensed or sold at
16 retail, a return showing taxes at seven cents (\$.07) per liter
17 of the table wine dispensed or sold at retail during the
18 previous month; the taxes due at such rate shall be remitted
19 to the county or municipality along with the return.

20 "(3) All taxes imposed, levied, and collected under
21 this section shall be deposited and credited in the same
22 manner as are other table wine taxes.

23 "(d) Manufacturers who manufacture table wine within
24 Alabama shall provide to the board monthly reports, in the
25 form, time, and manner prescribed by the board, reporting
26 gallonage sold and gallonage exported for sale outside the
27 state during the previous month.

1 "(e) The tax herein levied is exclusive and shall be
2 in lieu of all other and additional taxes of the state,
3 county, and municipality imposed on or measured by the sale or
4 volume of sale of table wine; provided that nothing herein
5 contained shall be construed to exempt the retail sale of
6 table wine from the levy of tax on general retail sales by the
7 state, county, or municipality in the nature of, or in lieu
8 of, a general sales tax."

9 Section 3. This act shall become effective on the
10 first day of the third month following its passage and
11 approval by the Governor, or its otherwise becoming law.