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5 Replace lines 35 through 36 on page 2 with the following:

6 manufactured by the licensee; to amend Section
7 28-3A-21, Code of Alabama 1975, to set a license fee; and
8 to amend Section 28-6A-2, Code of Alabama 1975, to
9 provide for purchase of table wine from a small farm
10 winery by an educational tourism distillery.
11

12 Replace lines 339 through 340 on page 13 with the
13 following:

14 to levy a license or tax of any nature on any liquor
15 store."

16 Section 3. Section 28-6A-2, Code of Alabama 1975, is
17 amended to read as follows:

18 "§28-6A-2

19 (a) (1) For the purposes of this section, the term
20 "table wine" includes mead.

21 (2) For the purposes of this section, a "small farm
22 winery" means a manufacturer of table wine licensed by
23 the Alcoholic Beverage Control Board, which produces
24 fewer than 50,000 gallons of table wine per year, and



meets one of the following criteria:

a. Produces at least 50 percent of its total production of table wine from fruit that is grown, or honey that is harvested, in this state.

b. Produces all of its total production of table wine within this state and owns not less than eight acres of vineyards in this state.

(3) For the purposes of this section, table wine that has been produced by a manufacturer, or a subsidiary or affiliate or other related entity of the manufacturer, and table wine produced exclusively for the winery by another manufacturer shall be considered to be produced by the winery and shall be included in the 50,000 gallon limit provided in subdivision (2).

(b) A catastrophic loss to produce grown in this state, including, but not limited to, one caused by drought or frost, may not disqualify a small farm winery if the winery qualified as a small farm winery prior to the catastrophic loss.

(c) Notwithstanding any provision of this title to the contrary, a small farm winery may do all of the following:

(1) Sell its table wines produced on its licensed premises directly from its licensed premises at retail to



49 consumers physically present at the licensed premises,
50 either for on-premises or off-premises consumption, for
51 personal use and not for resale; provided, the winery
52 collects and remits all state and local sales or use
53 taxes and excise taxes due on the sale of table wine to
54 consumers, packages and labels the wine in accordance
55 with state and federal law, and reports its annual
56 production of table wine to the board.

57 (2)a. Either of the following, provided that
58 transportation of wine under this subdivision is made by
59 the winery's employees in a vehicle owned or leased by
60 the winery:

61 1. Sell and transport up to 10,000 gallons of its
62 table wine produced on its licensed premises directly to
63 licensed retailers each year.

64 2. Sell and transport up to 20,000 gallons of its
65 table wine produced on its licensed premises directly to
66 licensed retailers each year, if the winery provides to
67 the board proof that the winery's table wine has been
68 declined to be distributed by two separate wholesalers of
69 table wine. If the winery's table wine has been accepted
70 for distribution by any wholesaler of table wine, then
71 the winery may not sell its table wine directly to
72 retailers under this paragraph.



b. For purposes of this subdivision, "retailers" include those that are licensed by the board for on-premises consumption, for off-premises consumption, or for both.

c. If a winery sells and transports 20,000 total gallons of table wine directly to retailers as provided in this subdivision in any one year, that winery may not subsequently sell and transport table wine directly to retailers under this subdivision.

d. Notwithstanding any other provision of this section to the contrary, a small farm winery may only sell and transport table wine that has been approved by the board for sale within the state and for which the small farm winery owns the Certificate of Label Approval issued by the Alcohol and Tobacco Tax and Trade Bureau.

(3) Provided that transportation of wine under this subdivision is made by the winery's employees in a vehicle owned or leased by the winery, sell and transport its table wine to an educational tourism distillery licensed under this title solely for on-premises consumption at the educational tourism distillery pursuant to law and board rules.

(d) A county or a municipality may not require a small farm winery to pay any fees, including business



97 licensure fees, to make sales or deliveries under this
98 section, or any additional local tax other than the tax
99 described in subdivision (c)(1).

100 (e)(1) A small farm winery shall maintain records
101 verifying that the winery meets the qualifications under
102 this section, and shall provide those records to the
103 board upon request.

104 (2) A small farm winery shall report to the board
105 each month the amount of table wine sold directly to each
106 licensed retailer under this section.

107 (f) The board shall adopt rules to implement this
108 section."

109 Section 4. This act shall become effective on October