

State of Arkansas  
89th General Assembly  
Regular Session, 2013

# A Bill

HOUSE BILL 1749

By: Representative Broadway

## For An Act To Be Entitled

AN ACT TO PERMIT THE DIRECT SHIPMENT OF VINOUS LIQUOR  
FROM A WINERY TO ARKANSAS RESIDENTS; AND FOR OTHER  
PURPOSES.

## Subtitle

TO PERMIT THE DIRECT SHIPMENT OF VINOUS  
LIQUOR FROM A WINERY TO ARKANSAS  
RESIDENTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 3, Chapter 5, is amended to add an additional subchapter to read as follows:

Subchapter 17 – Direct Shipment of Vinous Liquor Act

3-5-1701. Title.

This subchapter shall be known and may be cited as the "Direct Shipment of Vinous Liquor Act".

3-5-1702. Definitions.

As used in this subchapter:

(1) "Vinous liquor" means the fermented juices of fruits containing more than five percent (5%) and not more than twenty-one percent (21%) of alcohol by weight; and

(2) "Winery" means an establishment that makes vinous liquor.

3-5-1703. Registration – Renewal fee.

(a) Unless registered under this subchapter, a winery licensed by the



this state or the state where its principal place of business is located shall not ship vinous liquor to an Arkansas consumer.

(b) Prior to the winery's first shipment into or within the state the winery shall:

(1) Register with the Alcoholic Beverage Control Division;

(2) Provide the division with a copy of the winery's current license to manufacture wine issued by:

(A) The state of domicile; and

(B) The Alcohol and Tobacco Tax and Trade Bureau of the United States Treasury; and

(3) Pay a registration fee of twenty-five dollars (\$25.00).

(c) A winery shall renew its application each year with the division by:

(1) Providing the division with a copy of the licenses required under subdivision (b)(2) of this section; and

(2) Paying a renewal fee of twenty-five dollars (\$25.00).

3-5-1704. Purchase – Payment of taxes.

(a) A consumer must:

(1) Be physically present at the winery to purchase the vinous liquor to be shipped into or within the state; and

(2) Provide identification to the winery proving that he or she is twenty-one (21) years of age or older.

(b)(1)(A) A winery shall collect all sales taxes and excise taxes due on a sale to an individual of this state as if the sale took place on the premises of a Arkansas Small Farm Winery, including without limitation taxes under §§ 3-5-1605, 3-7-104, 3-7-201, and 3-7-111.

(B) A winery does not have to collect a local tax that would be imposed by a municipality, town, or other political subdivision of the state.

(2) Taxes collected by the winery shall be submitted to the Department of Finance and Administration as directed without limitation under §§ 3-5-1605, 3-7-104, 3-7-201, and 3-7-111.

3-5-1705. Direct shipment.

(a) A winery shall ship only a vinous liquor to a private residence.

(b) A winery may only ship one (1) case of vinous liquor per consumer in any calendar quarter.

(c)(1) A shipment of a vinous liquor shall have a shipping label provided by the Alcoholic Beverage Control Division affixed to the shipping package.

(2) The fee for each label for a shipment shall not exceed ten dollars (\$10.00).

3-5-1706. Delivery.

A winery shall have the vinous liquor delivered to an Arkansas consumer during the hours of the day that alcoholic beverages may be purchased in the state.

3-5-1707. Rules.

The Director of the Alcoholic Beverage Control Division, the Alcoholic Beverage Control Board, the Director of the Department of Finance and Administration, and any other affected agency of this state may adopt rules to implement this subchapter.

3-5-1708. Disposition of funds.

(a) Permit fees or taxes, label fees, penalties, fines, proceeds of all forfeitures, special inspection fees, and costs received by the Director of the Department of Finance and Administration under this subchapter shall be general revenues and shall be deposited into the State Treasury to the credit of the State Apportionment Fund.

(b) The Treasurer of State shall allocate and transfer those revenues to the various State Treasury funds participating in general revenues in the respective proportions to each as provided by and to be used for the respective purposes set forth in the Revenue Stabilization Law, § 19-5-101 et seq.

APPROVED: 03/21/2013

