

State of Arkansas
89th General Assembly
Regular Session, 2013

A Bill

SENATE BILL 1165

By: Senators Holland, G. Stubblefield

For An Act To Be Entitled

AN ACT TO PERMIT A SMALL FARM WINERY TO SHIP WINES
DIRECTLY TO ARKANSAS RESIDENTS; AND FOR OTHER
PURPOSES.

Subtitle

TO PERMIT A SMALL FARM WINERY TO SHIP
WINES DIRECTLY 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:

3-5-1701. Title.

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

3-5-1702. Definitions.

As used in this section:

(1) "Person" means one (1) or more natural persons, a company, corporation, partnership, or association;

(2) "Small farm winery" means a wine-making establishment that sells no more than two hundred fifty thousand (250,000) gallons of wine annually as reported on the United States Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau form 5120.17 or its successor form; and

(3) "Wine" means any fermented alcoholic liquor made from grapes, berries, fruits, honey, or vegetables and having an alcoholic content of more than five percent (5%) and not more than twenty-one percent (21%) of



alcohol by weight.

3-5-1703. Direct shipment of wine and limitations.

(a) A person who possesses a current small farm winery permit issued by the Alcoholic Beverage Control Division may ship wine to an individual in this state.

(b) A person with a small farm winery permit shall not ship:

(1) More than twelve (12) nine-liter cases of wine annually to the same individual in this state;

(2) Wine to an individual who is less than twenty-one (21) years of age; or

(3)(A) Wine for resale.

(B) Subdivision (b)(3)(A) of this section does not restrict the sale or delivery of wine for resale as defined and allowed elsewhere in the Arkansas Code.

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

A small farm winery shipping wine under this subchapter shall:

(1) Ensure that all containers of wine shipped directly to an individual in this state are conspicuously labeled with the following words in at least a 12-point font “SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY”.

(2) Keep the signature of the person twenty-one (21) years of age or older on file for a period of at least twelve (12) months.

(3) Pay to the Department of Finance and Administration all sales taxes and excise taxes due on sales to individuals in this state with the sales and excise taxes calculated as if the sale took place on the premises of an Arkansas small farm winery, including without limitation taxes under §§ 3-5-1605, 3-7-104, 3-7-111, and 3-7-201.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that it would enhance the economy if a small farm wine supplier is allowed to ship limited amounts of wine to a resident of this state. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.