

**SB285 ENGROSSED**



1 5C80M6-2  
2 By Senators Jones, Livingston, Hatcher, Stewart, Sessions,  
3 Barfoot, Gudger  
4 RFD: Tourism  
5 First Read: 03-May-23  
6  
7 2023 Regular Session



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A BILL  
TO BE ENTITLED  
AN ACT

Relating to wine and mead; to amend Section 28-3A-20.4, Code of Alabama 1975, to provide that a nonprofit organization may be issued a license to host a wine festival; to further provide for the application process and conditions of licensure to host or participate in a wine festival; and to further provide for the collection and remittance of taxes due on the sale of wine at a wine festival; to amend Section 28-6A-2, Code of Alabama 1975, to further provide for wine manufacturer licensees located in dry counties by allowing such manufacturers to transport and sell wine to retailers under certain limits and to specify that such licensees may host or participate in wine festivals; to amend Section 28-7-10.1, Code of Alabama 1975, to further provide for small farm wineries by permitting such wineries to produce mead; and to amend Section 28-7-16, Code of Alabama 1975, to further provide for the excise tax rate for mead.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 28-3A-20.4, 28-6A-2, 28-7-10.1, and 28-7-16, Code of Alabama 1975, are amended to read as follows:

"§28-3A-20.4



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29 (a) The Legislature finds and declares that this  
30 section has been enacted pursuant to the authority granted to  
31 the state under the Twenty-first Amendment to the United  
32 States Constitution and the powers reserved to the state under  
33 the Tenth Amendment to the United States Constitution and the  
34 inherent powers of the state under the Constitution of Alabama  
35 of ~~1901~~2022. It is the intent of the Legislature that this  
36 section maintains the current three-tier system of control  
37 over the sale, distribution, purchase, transportation,  
38 manufacture, consumption, and possession of alcoholic  
39 beverages in the state and promotes the health, safety, and  
40 welfare of residents of this state.

41 (b) (1) Notwithstanding any other section of this title,  
42 including, but not limited to, Sections 28-3A-6, 28-3A-25, and  
43 28-7-4, upon application made on a form provided by the board  
44 at least 25 days in advance of the event for which a license  
45 is sought and accompanied by a fee not to exceed fifty dollars  
46 (\$50), the board shall issue a license for a wine festival to  
47 a manufacturer of wine licensed by the board manufacturing at  
48 least 500 gallons of table wine in this state annually; a  
49 retailer; an organization comprised entirely of grape growers,  
50 wineries, or grape growers and wineries; a municipality; a  
51 county; or an incorporated arts council, main street program,  
52 501(c) organization, other nonprofit organization as that term  
53 is defined by rule of the board, or downtown development  
54 entity upon such terms and conditions as the board may  
55 prescribe by rule.

56 (2) The wine festival license shall authorize the

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57 licensee to host a festival at which wine festival participant  
58 licensees may dispense tastings and sell at retail to  
59 individuals physically present at the festival for on-premises  
60 or off-premises consumption and for personal use and not for  
61 resale, subject to subsection (e).

62 (3) If the applicant for a wine festival license is  
63 currently a licensee of the board at the time of application,  
64 the board shall only require submission of all of the  
65 following information:

66 a. The name and address of the applicant and photo  
67 identification.

68 b. The start and end dates of the festival.

69 c. A description of the wine festival location. If the  
70 applicant does not own or control the wine festival location,  
71 then the applicant shall include written permission by the  
72 person with ownership or control over the property for the  
73 wine festival licensee and any wine festival participant  
74 licensees to use the property for that wine festival.

75 (4) The board shall not require the following:

76 a. That the applicant submit the application to the  
77 board in person.

78 b. That the applicant certify that a liquor liability  
79 insurance policy providing coverage for the applicant for the  
80 wine festival has been purchased where the applicant submits a  
81 written statement from the liquor liability insurer that the  
82 applicant's existing liquor liability insurance policy covers  
83 the applicant's activities at the wine festival.

84 (c) A wine festival licensed under this section may not



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85 operate for more than five consecutive days.

86 (d) (1) Upon application made on a form provided by the  
87 board at least 15 days in advance of the event for which a  
88 license is sought and accompanied by a fee not to exceed  
89 ~~fifteen dollars (\$15)~~ ten dollars (\$10), the board shall issue  
90 a wine festival participant license to any retailer or any  
91 manufacturer of table wine licensed by the board that  
92 manufactures at least 500 gallons of table wine in this state  
93 annually.

94 (2) A wine festival participant license shall authorize  
95 the licensee to dispense tastings and sell at retail to  
96 individuals physically present at the festival for on-premises  
97 consumption or off-premises consumption and for personal use  
98 and not for resale, subject to subsection (e).

99 (3) Because the applicant for a wine festival  
100 participant license is already a licensee of the board at the  
101 time of application, the board shall only require submission  
102 of all of the following information:

103 a. The name and address of the applicant and photo  
104 identification.

105 b. The start and end dates of the festival.

106 c. A description of the wine festival location.

107 d. If the host licensee for the wine festival is a  
108 501(c) (3) organization or other nonprofit organization as  
109 described in subdivision (b) (1), a written certification from  
110 the applicant that a majority of the net proceeds from the  
111 applicant's sales at the festival shall go to the nonprofit  
112 organization.



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113 (4) The board shall not require any of the following:

114 a. That the applicant submit the application to the  
115 board in person.

116 b. A certificate showing that the applicant has  
117 purchased a liquor liability insurance policy for the wine  
118 festival in a case where the applicant submits one of the  
119 following:

120 1. A written statement from the applicant's liquor  
121 liability insurer certifying that the applicant's existing  
122 liquor liability insurance policy covers the applicant's  
123 activities at the wine festival.

124 2. A written statement from the wine festival  
125 licensee's liquor liability insurer that the licensee's  
126 existing liquor liability insurance policy covers the  
127 activities of the host and any wine festival participant  
128 licensee at the wine festival who does not currently possess a  
129 liquor liability insurance policy.

130 (e) (1) Wine sold at a wine festival for off-premises  
131 consumption shall only be sold by a wine festival participant  
132 licensee and shall be sealed, labeled, and packaged in  
133 accordance with local, state, and federal laws and  
134 regulations.

135 (2) A wine festival participant licensee may not sell  
136 more than one case of wine to any individual per festival.

137 (3) For purposes of this section, one case of wine  
138 means the equivalent of 12 750-milliliter bottles of wine.

139 (f) The sale of wine at any wine festival may not be  
140 permitted on any Sunday in a county or municipality that has



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141 not authorized alcoholic beverages to be sold on Sunday.

142 (g) If a wine festival is to take place entirely on the  
143 premises of the winery that was granted the license to host  
144 the wine festival or a winery that is a member of the  
145 organization granted the license to host the festival, then  
146 the board may not require any fee for the wine festival  
147 license or any wine festival participant license relating to  
148 that festival.

149 (h) (1) Each wine festival participant licensee  
150 participating in a wine festival shall collect and remit all  
151 state and local sales and use taxes and all excise and other  
152 taxes due on the sale of wine by the licensee to customers at  
153 retail.

154 (2) Notwithstanding subdivision (1), a wine festival  
155 participant licensee that currently is a retail licensee of  
156 the board, or a wine festival participant licensee that  
157 currently is a manufacturer licensee of the board which also  
158 sells wine at retail, in a method and manner established by  
159 the Department of Revenue, may include the collection and  
160 remittance of all state taxes due on the sale of wine at the  
161 festival in the same method and manner as other sales of wine  
162 at retail.

163 (3) Each wine festival participant licensee shall  
164 collect all the county and local sales and use taxes due on  
165 the sale of wine at the festival and may remit those taxes to  
166 the wine festival licensee in a manner and method established  
167 by the wine festival licensee. The wine festival licensee  
168 shall remit the state and local sales and use taxes to the

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169 appropriate governing body within seven days following the  
170 conclusion of the wine festival, whether or not the wine  
171 festival licensee is exempt from sales tax by law.

172 ~~(4)a. A wine festival licensee shall register with the~~  
173 ~~county governing body, or if applicable, municipal governing~~  
174 ~~body, no less than seven days prior to the wine festival. This~~  
175 ~~registration shall include any information necessary to ensure~~  
176 ~~that the proper sales tax is collected and remitted from all~~  
177 ~~sales by each wine festival participant and shall include a~~  
178 ~~list of all wine festival participant licensees for that wine~~  
179 ~~festival with contact information for each licensee.~~A wine  
180 festival licensee shall send notification, in writing, to the  
181 county governing body, and if applicable, to the municipal  
182 governing body no less than seven days prior to the wine  
183 festival. This notification shall include any information  
184 necessary to ensure that the proper sales tax is collected and  
185 remitted from all sales by each wine festival participant and  
186 shall include a list of all current wine festival participant  
187 licensees for that wine festival with contact information for  
188 each licensee.

189 b. The wine festival licensee shall collect county and  
190 local sales and use taxes for sales made by all wine festival  
191 participant licensees at a wine festival which have elected to  
192 remit taxes through the wine festival licensee pursuant to  
193 subdivision (3), whether or not that wine festival licensee is  
194 exempt from sales tax by law. The wine festival licensee shall  
195 remit the sales and use taxes as provided in subdivision (3).

196 c. Each wine festival licensee and wine festival





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197 participant licensee shall be subject to audit by the county  
198 and municipal governing body of the location at which the wine  
199 festival occurs, for the county and local sales tax remitted  
200 by or on behalf of that licensee. Each wine festival licensee  
201 shall be responsible for any unreported sales or unremitted  
202 sales tax, including unreported or unremitted sales tax  
203 related to the failure of that licensee to fully remit and  
204 record any sale during the wine festival. Failure to remit  
205 sales tax pursuant to this section shall be enforced pursuant  
206 to Chapter 23 of Title 40.

207 (i) The board may not limit or prohibit the serving or  
208 featuring of food at a licensed wine festival, provided that  
209 the person serving or featuring food complies with all  
210 applicable laws and rules.

211 (j) A wine festival participant licensee shall not be  
212 required to apply for or purchase any county or municipal  
213 business license or alcoholic beverage license in order to  
214 participate in a wine festival pursuant to this section;  
215 provided, that the wine festival licensee for that wine  
216 festival is in compliance with paragraph (h) (4) a.

217 ~~(j)~~ (k) For purposes of this section, "retailer" means a  
218 retailer licensed for off-premises consumption of table wine.

219 ~~(k)~~ (l) The board may adopt rules to implement this  
220 section, including, but not limited to, rules regarding the  
221 liability of a wine festival participant licensee.

222 ~~(l)~~ (m) If any provision of this section or its  
223 application to any person or circumstance is determined by a  
224 court to be invalid or unconstitutional, that provision shall



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225 be stricken and the remaining provisions shall be construed in  
226 accordance with the intent of the Legislature to further  
227 limit, rather than expand, commerce in alcoholic beverages,  
228 including by prohibiting any commerce in alcoholic beverages  
229 not expressly authorized, and to enhance strict regulatory  
230 control over taxation, distribution, and sale of alcoholic  
231 beverages through the existing uniform system of regulation of  
232 alcoholic beverages."

233           "§28-6A-2

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

236           (2) For the purposes of this section, a "small farm  
237 winery" means a manufacturer of table wine licensed by the  
238 Alcoholic Beverage Control Board, which produces fewer than  
239 50,000 gallons of table wine per year, and meets one of the  
240 following criteria:

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

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

247           ~~(2)~~ (3) For the purposes of this section, table wine  
248 that has been produced by a manufacturer, or a subsidiary or  
249 affiliate or other related entity of the manufacturer, and  
250 table wine produced exclusively for the winery by another  
251 manufacturer shall be considered to be produced by the winery  
252 and shall be included in the 50,000 gallon limit provided in



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253 subdivision ~~(1)~~(2).

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

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

260 (1) Sell its table wines produced on its licensed  
261 premises directly from its licensed premises at retail to  
262 consumers physically present at the licensed premises, either  
263 for on-premises or off-premises consumption, for personal use  
264 and not for resale; provided, the winery collects and remits  
265 all state and local sales or use taxes and excise taxes due on  
266 the sale of table wine to consumers, packages and labels the  
267 wine in accordance with state and federal law, and reports its  
268 annual production of table wine to the board.

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

272 1. Sell and transport up to 10,000 gallons of its table  
273 wine produced on its licensed premises directly to licensed  
274 retailers each year.

275 2. Sell and transport up to 20,000 gallons of its table  
276 wine produced on its licensed premises directly to licensed  
277 retailers each year, if the winery provides to the board proof  
278 that the winery's table wine has been declined to be  
279 distributed by two separate wholesalers of table wine. If the  
280 winery's table wine has been accepted for distribution by any



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281 wholesaler of table wine, then the winery may not sell its  
282 table wine directly to retailers under this paragraph.

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

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

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

297         (d) A county or a municipality may not require a small  
298 farm winery to pay any fees, including business licensure  
299 fees, to make sales or deliveries under this section, or any  
300 additional local tax other than the tax described in  
301 subdivision (c)(1).

302         (e)(1) A small farm winery shall maintain records  
303 verifying that the winery meets the qualifications under this  
304 section, and shall provide those records to the board upon  
305 request.

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



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309 (f) The board shall adopt rules to implement this  
310 section."

311 "§28-7-10.1

312 (a) Upon an applicant's compliance with this section  
313 and the rules adopted pursuant to this section, the board may  
314 issue a wine manufacturer license to the applicant which shall  
315 authorize the licensee to manufacture or otherwise distill,  
316 produce, ferment, bottle, or compound wine in a dry county  
317 only for the sale for distribution outside of the county. No  
318 person shall manufacture or otherwise distill, produce,  
319 ferment, bottle, or compound wine in a dry county for sale or  
320 distribution unless the person or the authorized  
321 representative of the person has been granted a wine  
322 manufacturer license issued by the board pursuant to this  
323 section.

324 (b) A wine manufacturer licensed under this section is  
325 prohibited from doing any of the following:

326 (1) Selling any wine ~~direct to any retailer or for~~  
327 ~~consumption on the premises where sold~~ or dispensing any  
328 tastings for consumption on its licensed premises.

329 (2) Selling or delivering any wine in other than  
330 original containers approved as to capacity by the board and  
331 in accordance with standards of fill prescribed by the U.S.  
332 Treasury Department.

333 (3) Maintaining or operating within the state any place  
334 or places, other than the place or places covered by the wine  
335 manufacturer license.

336 (c) Any wine manufactured in the dry county by the



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337 manufacturer licensed pursuant to this section may be sold  
338 only for shipment and delivery to a licensed wine  
339 ~~distributor~~wholesaler in this state or to a legal distributor  
340 outside of this state-, except that the manufacturer may use  
341 its employees to sell and transport wine directly to retail  
342 licensees of the board in a vehicle owned or leased by the  
343 manufacturer subject to the following limits:

344 (1) No more than 10,000 gallons produced on its  
345 licensed premises each year.

346 (2) No more than 20,000 gallons produced on its  
347 licensed premises each year if the manufacturer provides to  
348 the board proof that its wine has been declined to be  
349 distributed by two licensed wine wholesalers. If the  
350 manufacturer's wine has been accepted for distribution by any  
351 licensed wine wholesaler, it may not sell and transport its  
352 wine directly to retailers under this subdivision.

353 (d) A wine manufacturer licensee licensed pursuant to  
354 this section shall be required to file with the board, prior  
355 to making any sales, a list of its labels to be sold and shall  
356 file with the board its federal certificate of label approvals  
357 or its certificates of exemption as required by the U.S.  
358 Treasury Department. All wines whose labels have not been  
359 registered as herein provided shall be considered contraband  
360 and may be seized by the board or its agents, or any peace  
361 officer of the state without a warrant and the goods shall be  
362 delivered to the board and disposed of as provided by law.

363 (e) A wine manufacturer licensee licensed pursuant to  
364 this section shall be required to send to the board, prior to



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365 the twentieth day of each month, a consolidated report of all  
366 shipments of alcoholic beverages made to each licensed  
367 wholesaler or licensed retailer during the preceding month.  
368 The reports shall be in the form and shall contain the  
369 information as the board may require.

370 (f) Every wine manufacturer licensed pursuant to this  
371 section shall keep at its principal place of business within  
372 the state, daily permanent records which shall show the  
373 quantities of raw materials used in the manufacture of wine,  
374 and the quantities of wine manufactured and stored, the sale  
375 of wine, the quantities of wine stored for hire or transported  
376 for hire by or for the licensee, and the names and addresses  
377 of the purchasers of the wine.

378 (g) Every place licensed as a wine manufacturer  
379 pursuant to this section shall be subject to inspection by the  
380 board or by persons duly authorized and designated by the  
381 board at any time of the day or night as they may deem  
382 necessary, for the detection of violations of this chapter, of  
383 any law, or of the rules of the board, or for the purpose of  
384 ascertaining the correctness of the records required to be  
385 kept by the licensees. The books and records of licensees  
386 shall be open for inspection at all times by the board or by  
387 persons duly authorized and designated by the board. Members  
388 of the board and its duly authorized agents, without  
389 hindrance, may enter any place that is subject to inspection  
390 hereunder or any place where records are kept for the purpose  
391 of making inspections and making transcripts thereof.

392 (h) Where otherwise lawful, a manufacturer licensed



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393 under this section may qualify with the board as the host of  
394 or as a participant in a wine festival located in a wet  
395 municipality in the county of its licensed premises or outside  
396 the county of its licensed premises pursuant to Section  
397 28-3A-20.4.

398 (i) Licenses issued under this section, unless revoked  
399 in the manner provided in this chapter, shall be valid for the  
400 license year commencing January 1 of each year.

401 ~~(i)~~ (j) The board may adopt rules to implement and  
402 administer this section.

403 ~~(j)~~ (k) The provisions of Act 2021-517 are supplemental  
404 to any laws regulating alcoholic beverages in this state and  
405 shall not be construed to repeal or supersede any laws or  
406 rules of the Alcoholic Beverage Control Board not in direct  
407 conflict with Act 2021-517."

408 "§28-7-16

409 (a) Levy. There is hereby levied in addition to the  
410 license taxes provided for by this chapter and municipal and  
411 county license taxes and in addition to any marked-up price  
412 made by the board on wine sold by the board a privilege or  
413 excise tax measured by and graduated in accordance with the  
414 volume of sales of table wine containing not more than sixteen  
415 and one-half percent alcohol by volume and shall be an amount  
416 equal to forty-five cents (\$.45) per liter of table wine  
417 containing not more than sixteen and one-half percent alcohol  
418 by volume sold to the wholesale licensee or board, to be  
419 collected from the purchaser by the board or by a licensed  
420 retailer.





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421 (b) Collection, Monthly Return, Remittance, Right to  
422 Examine Books and Records.

423 (1) The tax levied by subsection (a) shall be added to  
424 the sales price of all table wine containing not more than  
425 sixteen and one-half percent alcohol by volume sold and shall  
426 be collected from the purchasers. The tax shall be collected  
427 in the first instance from the wholesaler where table wine  
428 containing not more than sixteen and one-half percent alcohol  
429 by volume is sold or handled by wholesale licensees, and by  
430 the board from whomever makes sales when table wine containing  
431 not more than sixteen and one-half percent alcohol by volume  
432 is sold by the board. It shall be unlawful for any person who  
433 is required to pay the tax in the first instance to fail or  
434 refuse to add to the sales price and collect from the  
435 purchaser the required amount of tax, it being the intent and  
436 purpose of this provision that the tax levied is in fact a  
437 levy on the consumer. The person who pays the tax in the first  
438 instance is acting as an agent of the state for the collection  
439 and payment of the tax and as such may not collect a tax on  
440 table wine containing not more than sixteen and one-half  
441 percent alcohol by volume for any other level of government.

442 (2) The tax hereby levied shall be collected by a  
443 monthly return, which shall be filed by the wholesale  
444 licensees as follows: A monthly return filed with the board  
445 not later than the 15th day of the second month following the  
446 month of receipt of table wine containing not more than  
447 sixteen and one-half percent alcohol by volume by the  
448 wholesaler on a form prescribed by the board showing receipts



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449 by the wholesalers from manufacturer, importer, or other  
450 wholesaler licensees during the month of receipt and the taxes  
451 due thereon at the rate of thirty-eight cents (\$.38) per liter  
452 of table wine containing not more than sixteen and one-half  
453 percent alcohol by volume sold to the wholesale licensee or  
454 board; the taxes due at such rate shall be remitted to the  
455 board along with the return; a monthly return filed with the  
456 county or municipality within which the wine is sold at retail  
457 filed not later than the 15th day of each month showing sales  
458 by wholesalers during the preceding month and the county or  
459 municipality in which sold and the taxes due thereon at the  
460 rate of seven cents (\$.07) per liter of table wine containing  
461 not more than sixteen and one-half percent alcohol by volume  
462 sold; and the taxes due at such rate shall be remitted to the  
463 county or municipality along with the return.

464 (3) The tax hereby levied shall be collected by the  
465 board on the table wine containing not more than sixteen and  
466 one-half percent alcohol by volume sold by the board and shall  
467 be paid as follows: Taxes at the rate of thirty-eight cents  
468 (\$.38) per liter of table wine containing not more than  
469 sixteen and one-half percent alcohol by volume sold shall be  
470 remitted by the board to the State Treasurer and taxes at the  
471 rate of seven cents (\$.07) per liter of table wine containing  
472 not more than sixteen and one-half percent alcohol by volume  
473 sold shall be remitted by the board to the county or  
474 municipality within which the wine was sold at retail not  
475 later than the last day of the month following the month of  
476 sale, as set forth in subsection (c).



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477           (4) The board and the governing body of each county and  
478 municipality served by the wholesaler shall have the authority  
479 to examine the books and records of any person who sells,  
480 stores, or receives for the purpose of distribution any table  
481 wine, containing not more than sixteen and one-half percent  
482 alcohol by volume to determine the accuracy of any return  
483 required to be filed with it.

484           (c) Disposition of proceeds. The proceeds of the tax  
485 levied by subsection (a) shall be paid and distributed as  
486 follows:

487           (1) Thirty-eight cents (\$.38) per liter of table wine  
488 containing not more than sixteen and one-half percent alcohol  
489 by volume sold shall be collected by the board on its sales or  
490 paid to the board by wholesale licensees on their sales, and  
491 by the board paid to the State Treasurer to be credited as net  
492 profits from operation of the board to be distributed as  
493 provided by law.

494           (2) Seven cents (\$.07) per liter of table wine  
495 containing not more than sixteen and one-half percent alcohol  
496 by volume sold shall be paid by the board on its sales or by  
497 wholesale licensees on their sales, either into the treasury  
498 of the municipality in which the table wine was sold at retail  
499 within its corporate limits, or, where sold outside the  
500 corporate limits of any municipality, into the treasury of the  
501 county in which the table wine was sold at retail.

502           (d) There is hereby levied in addition to the license  
503 taxes provided for by this chapter and municipal and county  
504 license taxes and in addition to any marked-up price made by



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505 the board on wine sold by the board a privilege or excise tax  
506 measured by and graduated in accordance with the volume of  
507 sales of table wine containing more than sixteen and one-half  
508 percent alcohol by volume. The tax shall be an amount equal to  
509 two dollars and forty-two cents (\$2.42) per liter of table  
510 wine containing more than sixteen and one-half percent alcohol  
511 by volume sold to the wholesale licensee or board, to be  
512 collected from the purchaser by the board or by a licensed  
513 retailer.

514 (e) Collection, Monthly Return, Remittance, Right to  
515 Examine Books and Records.

516 (1) The tax levied by subsection (d) shall be added to  
517 the sales price of all table wine containing more than sixteen  
518 and one-half percent alcohol by volume sold and shall be  
519 collected from the purchasers. The tax shall be collected in  
520 the first instance from the wholesaler where table wine  
521 containing more than sixteen and one-half percent alcohol by  
522 volume is sold or handled by wholesale licensees, and by the  
523 board from whomever makes sales when table wine containing  
524 more than sixteen and one-half percent alcohol by volume is  
525 sold by the board. It shall be unlawful for any person who is  
526 required to pay the tax in the first instance to fail or  
527 refuse to add to the sales price and collect from the  
528 purchaser the required amount of tax, it being the intent and  
529 purpose of this provision that the tax levied is in fact a  
530 levy on the consumer. The person who pays the tax in the first  
531 instance is acting as an agent of the state for the collection  
532 and payment of the tax and as such may not collect a tax on



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533 table wine containing more than sixteen and one-half percent  
534 alcohol by volume for any other level of government.

535 (2) The tax levied in subsection (d) shall be collected  
536 by a monthly return, which shall be filed by the wholesale  
537 licensees with the board not later than the 15th day of the  
538 second month following the month of receipt of table wine  
539 containing more than sixteen and one-half percent alcohol by  
540 volume by the wholesaler on a form prescribed by the board  
541 showing receipts by the wholesalers from manufacturer,  
542 importer, or other wholesaler licensees during the month of  
543 receipt and the taxes due thereon at the rate of two dollars  
544 and forty-two cents (\$2.42) per liter of table wine containing  
545 more than sixteen and one-half percent alcohol by volume sold  
546 to the wholesale licensee or board; the taxes due at such rate  
547 shall be remitted to the board along with the return.

548 (3) The tax levied in subsection (d) shall be collected  
549 by the board on table wine containing more than sixteen and  
550 one-half percent alcohol by volume sold by the board and shall  
551 be paid as follows: Taxes at the rate of two dollars and  
552 forty-two cents (\$2.42) per liter of table wine containing  
553 more than sixteen and one-half percent alcohol by volume sold  
554 shall be remitted by the board to the State Treasurer.

555 (4) The board shall have the authority to examine the  
556 books and records of any person who sells, stores, or receives  
557 for the purpose of distribution any table wine containing more  
558 than sixteen and one-half percent alcohol by volume, to  
559 determine the accuracy of any return required to be filed with  
560 it.



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561 (f) Disposition of proceeds. The proceeds of the tax  
562 levied by subsection (d) shall be paid and distributed as  
563 follows:

564 (1) Thirty-seven percent to the Alcoholic Beverage  
565 Control Board.

566 (2) Thirty-four percent to the State General Fund.

567 (3) Twenty and eight-tenths percent to the Department  
568 of Human Resources.

569 (4) Eight and two-tenths percent to the Department of  
570 Mental Health.

571 (g) Mead shall be taxed at the same rate as table wine  
572 as follows:

573 (1) Mead containing not more than sixteen and one-half  
574 percent of alcohol by volume shall be taxed pursuant to  
575 subsection (a).

576 (2) Mead containing more than sixteen and one-half  
577 percent and not more than eighteen percent alcohol by volume  
578 shall be taxed pursuant to subsection (d).

579 ~~(g)~~ (h) Taxes exclusive. The taxes herein levied are  
580 exclusive and shall be in lieu of all other and additional  
581 taxes and licenses of the state, county, or municipality,  
582 imposed on or measured by the sale or volume of sale of table  
583 wine; provided, that nothing herein contained shall be  
584 construed to exempt the retail sale of table wine from the  
585 levy of tax on general retail sales by the state, county, or  
586 municipality in the nature of, or in lieu of, a general sales  
587 tax.

588 ~~(h)~~ (i) Trade between wholesalers exempt. The taxes



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589 levied by subsections (a) and (d) shall not be imposed upon  
590 the sale, trade, or barter of table wine by one licensed  
591 wholesaler to another wholesaler licensed to sell and handle  
592 table wine in this state, which transaction is hereby made  
593 exempt from the tax; provided, however, the board may require  
594 written reporting of any such transaction in the form as the  
595 board may prescribe."

596           Section 2. This act shall become effective on the first  
597 day of the third month following its passage and approval by  
598 the Governor, or its otherwise becoming law.

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599  
600  
601 Senate

602 Read for the first time and referred .....03-May-23  
603 to the Senate committee on Tourism

604  
605 Read for the second time and placed .....04-May-23  
606 on the calendar:

607 0 amendments

608  
609 Read for the third time and passed .....11-May-23  
610 as amended

611 Yeas 34

612 Nays 0

613 Abstains 0

614

615

616 Patrick Harris,

617 Secretary.

618