

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

HOUSE BILL 1749

5 By: Representative Broadway
6

For An Act To Be Entitled

8 AN ACT TO PERMIT THE DIRECT SHIPMENT OF VINOUS LIQUOR
9 FROM A WINERY TO ARKANSAS RESIDENTS; AND FOR OTHER
10 PURPOSES.
11

Subtitle

12 TO PERMIT THE DIRECT SHIPMENT OF VINOUS
13 LIQUOR FROM A WINERY TO ARKANSAS
14 RESIDENTS.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code Title 3, Chapter 5, is amended to add an
22 additional subchapter to read as follows:

23 Subchapter 17 – Direct Shipment of Vinous Liquor Act

24 3-5-1701. Title.

25 This subchapter shall be known and may be cited as the "Direct Shipment
26 of Vinous Liquor Act".
27

28 3-5-1702. Definitions.

29 As used in this subchapter:

30 (1) "Vinous liquor" means the fermented juices of fruits
31 containing more than five percent (5%) and not more than twenty-one percent
32 (21%) of alcohol by weight; and

33 (2) "Winery" means an establishment that makes vinous liquor.
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35 3-5-1703. Registration – Renewal fee.

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



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

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

5 (1) Register with the Alcoholic Beverage Control Division;

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

8 (A) The state of domicile; and

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

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

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

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

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

17
 18 3-5-1704. Purchase – Payment of taxes.

19 (a) A consumer must:

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

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

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

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

31 (2) Taxes collected by the winery shall be submitted to the
 32 Department of Finance and Administration as directed without limitation under
 33 §§ 3-5-1605, 3-7-104, 3-7-201, and 3-7-111.

34
 35 3-5-1705. Direct shipment.

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

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

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

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

8
 9 3-5-1706. Delivery.

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

13
 14 3-5-1707. Rules.

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

19
 20 3-5-1708. Disposition of funds.

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

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