

1 HB306
2 202650-1
3 By Representatives Hall, Reynolds, Whorton, Sanderford, Whitt,
4 Ball and McCutcheon (N & P)
5 RFD: Madison County Legislation
6 First Read: 20-FEB-20

2
3
4
5
6
7
8
9 A BILL
10 TO BE ENTITLED
11 AN ACT
12

13 Relating to Madison County; to allow certain small
14 farm wineries that are licensed by the Alcoholic Beverage
15 Control Board to self-distribute their table wines to licensed
16 retailers or to sell directly to consumers and to deliver, or
17 contract with a third party common carrier to deliver, their
18 table wine to residents of Madison County who are at least 21
19 years of age; to require small farm wineries to collect and
20 remit certain taxes; and to authorize the board to adopt
21 rules.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. This act shall apply only within Madison
24 County.

25 Section 2. The Legislature declares that this act
26 regulates the liquor traffic within the meaning and intent of
27 Section 104 of the Constitution of Alabama of 1901.

1 Section 3. (a) As used in this section, small farm
2 winery means a manufacturer of table wine licensed by the
3 Alcoholic Beverage Control Board that meets all of the
4 following qualifications:

5 (1) The winery is located entirely within Madison
6 County.

7 (2) The winery produces no more than 100,000 gallons
8 of table wine per year.

9 (3) No less than 50 percent of the winery's total
10 production of table wine is produced at the winery.

11 (4) No less than 50 percent of the total fruit used
12 in producing the winery's table wine is fruit that is grown in
13 this state.

14 (b) Notwithstanding subsection (a), a catastrophic
15 loss to fruit produced in this state may not disqualify a
16 small farm winery if the winery has previously qualified as a
17 small farm winery prior to the catastrophic loss.

18 (c) Notwithstanding any provision of Title 28, Code
19 of Alabama 1975, to the contrary, a small farm winery in
20 Madison County may do all of the following:

21 (1) Sell its table wines directly to consumers in
22 Madison County, provided the winery collects and remits all
23 state and local sales or use taxes and excise taxes due on the
24 sale of table wine to consumers, and packages and labels the
25 wine in accordance with state and federal law.

26 (2) Deliver, or contract with a third party common
27 carrier to deliver, its table wine directly to residents in

1 Madison County who are at least 21 years of age, provided the
2 shipping container shall be labelled with the words: "Contains
3 Alcohol: Must be delivered to a person 21 years of age or
4 older" and the winery or common carrier shall confirm, at the
5 time of delivery, that the recipient is at least 21 years of
6 age.

7 (3) Sell its table wine to retailers within Madison
8 County licensed by the Alcoholic Beverage Control Board. For
9 purposes of this subsection, retailers include those that are
10 licensed for on-premises consumption, for off-premises
11 consumption, or for both.

12 (4) Deliver, or contract with a third party common
13 carrier to deliver, its table wine to licensed retailers in
14 Madison County.

15 (d) Small farm wineries within Madison County shall
16 collect and remit all applicable taxes to the Department of
17 Revenue.

18 (e) Small farm wineries within Madison County shall
19 not be subject to Article 10, commencing with Section
20 40-23-260, of Chapter 23 of Title 40, Code of Alabama 1975.

21 (f) The Alcoholic Beverage Control Board shall adopt
22 rules to implement this section, which may include, but not be
23 limited to, a requirement that a small farm winery maintain
24 records that verify that the winery meets the qualifications
25 under this section.

1 Section 4. This act shall become effective on the
2 first day of the third month following its passage and
3 approval by the Governor, or its otherwise becoming law.