

1 HB52  
2 203968-1  
3 By Representative Hall  
4 RFD: Economic Development and Tourism  
5 First Read: 04-FEB-20  
6 PFD: 01/23/2020

SYNOPSIS: Under existing law, a licensed wine manufacturer may sell its wine directly at retail, for on-premise or off-premise consumption, on the manufacturer's premises and at one additional permitted off-site tasting room.

This bill would clarify that no separate retail license is required for a licensed wine manufacturer that lawfully sells its table wine at retail for on-premise or off-premise consumption on the manufacturer's premises and at one additional off-site tasting room.

This bill would not authorize a licensed wine manufacturer to sell its wine directly at retail in any other place, nor would it authorize a licensed wine manufacturer to directly distribute its wine to retailers.

A BILL  
TO BE ENTITLED  
AN ACT

1  
2           Relating to alcoholic beverages; to amend Section  
3 28-7-18, Code of Alabama 1975, to clarify that no separate  
4 retail license is required for a licensed wine manufacturer  
5 that lawfully sells its table wine directly at retail as  
6 currently provided by that section.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8           Section 1. Section 28-7-18, Code of Alabama 1975, is  
9 amended to read as follows:

10           "§28-7-18.

11           "(a) No manufacturer shall sell any table wine  
12 direct to any retailer or for consumption on the premises  
13 where sold, nor sell or deliver any such table wine in other  
14 than original containers, nor shall any manufacturer maintain  
15 or operate within this state any place or places, other than  
16 the place or places covered by his or its license where table  
17 wine is sold or where orders ~~therefor~~ therefore are taken.  
18 Provided, further, that table wine that is manufactured in  
19 Alabama may be sold directly at retail by the licensed  
20 manufacturer, for on-premise or off-premise consumption, only  
21 on the manufacturer's premises and at one additional permitted  
22 off-site tasting room used to conduct tastings or samplings  
23 and to sell at retail the manufacturer's table wine as  
24 provided in subdivision (4) of subsection (h) of Section  
25 28-3A-6. A licensed wine manufacturer is not required to  
26 obtain a retail license from the board or any local governing  
27 body in order to sell its table wine directly at retail for

1 on-premise or off-premise consumption pursuant to this  
2 section.

3 "(b) (1) There is hereby levied and assessed, upon  
4 wine manufactured in Alabama and sold by the manufacturer  
5 directly at retail on the premises where it is manufactured,  
6 as provided in subsection (a), or dispensed, as free samples  
7 of not more than six ounces, in the tasting room or wine  
8 cellar on the manufacturer's premises, an excise tax, measured  
9 by and graduated in accordance with the volume of such wine  
10 sold or dispensed, in an amount equal to forty-five cents  
11 (\$.45) per liter.

12 "(2) The tax hereby levied on retail sales on a  
13 manufacturer's premises shall be added to the sales price of  
14 all table wine sold at retail by the manufacturer, as provided  
15 in subsection (a), and shall be collected from the consumers  
16 making the purchases.

17 "(c) The tax levied by subsection (b) shall be  
18 collected by a return and remitted, monthly, as follows:

19 "(1) Not later than the fifteenth day of the month  
20 following the month in which table wine was dispensed as free  
21 samples or sold at retail as provided in subsection (a), the  
22 manufacturer shall file with the board, on a form and in the  
23 manner prescribed by the board, a return showing taxes due at  
24 thirty-eight cents (\$.38) per liter of the table wine  
25 dispensed or sold at retail during the previous month; the  
26 taxes due at such rate shall be remitted to the board along  
27 with the return.

1           "(2) Not later than the fifteenth day of the month  
2 following the month in which table wine was dispensed as free  
3 samples or sold at retail as provided in subsection (a), the  
4 manufacturer shall file with the municipality within which the  
5 table wine was dispensed or sold at retail within its  
6 corporate limits, or, where dispensed or sold at retail  
7 outside of the corporate limits of any municipality, with the  
8 county within which the table wine was dispensed or sold at  
9 retail, a return showing taxes at seven cents (\$.07) per liter  
10 of the table wine dispensed or sold at retail during the  
11 previous month; the taxes due at such rate shall be remitted  
12 to the county or municipality along with the return.

13           "(3) All taxes imposed, levied, and collected under  
14 this section shall be deposited and credited in the same  
15 manner as are other table wine taxes.

16           "(d) Manufacturers who manufacture table wine within  
17 Alabama shall provide to the board monthly reports, in the  
18 form, time, and manner prescribed by the board, reporting  
19 gallonage sold and gallonage exported for sale outside the  
20 state during the previous month.

21           "(e) The tax herein levied is exclusive and shall be  
22 in lieu of all other and additional taxes of the state,  
23 county, and municipality imposed on or measured by the sale or  
24 volume of sale of table wine; provided that nothing herein  
25 contained shall be construed to exempt the retail sale of  
26 table wine from the levy of tax on general retail sales by the

1 state, county, or municipality in the nature of, or in lieu  
2 of, a general sales tax."

3 Section 2. This act shall become effective  
4 immediately following its passage and approval by the  
5 Governor, or its otherwise becoming law.