

**SB285 ENROLLED**



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



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1 Enrolled, An Act,

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4 Relating to wine and mead; to amend Section 28-3A-20.4,  
5 Code of Alabama 1975, to provide that a nonprofit organization  
6 may be issued a license to host a wine festival; to further  
7 provide for the application process and conditions of  
8 licensure to host or participate in a wine festival; and to  
9 further provide for the collection and remittance of taxes due  
10 on the sale of wine at a wine festival; to amend Section  
11 28-6A-2, Code of Alabama 1975, to further provide for wine  
12 manufacturer licensees located in dry counties by allowing  
13 such manufacturers to transport and sell wine to retailers  
14 under certain limits and to specify that such licensees may  
15 host or participate in wine festivals; to amend Section  
16 28-7-10.1, Code of Alabama 1975, to further provide for small  
17 farm wineries by permitting such wineries to produce mead; and  
18 to amend Section 28-7-16, Code of Alabama 1975, to further  
19 provide for the excise tax rate for mead.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. Sections 28-3A-20.4, 28-6A-2, 28-7-10.1, and  
22 28-7-16, Code of Alabama 1975, are amended to read as follows:

23 "§28-3A-20.4

24 (a) The Legislature finds and declares that this  
25 section has been enacted pursuant to the authority granted to  
26 the state under the Twenty-first Amendment to the United  
27 States Constitution and the powers reserved to the state under  
28 the Tenth Amendment to the United States Constitution and the



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29 inherent powers of the state under the Constitution of Alabama  
30 of ~~1901~~2022. It is the intent of the Legislature that this  
31 section maintains the current three-tier system of control  
32 over the sale, distribution, purchase, transportation,  
33 manufacture, consumption, and possession of alcoholic  
34 beverages in the state and promotes the health, safety, and  
35 welfare of residents of this state.

36 (b) (1) Notwithstanding any other section of this title,  
37 including, but not limited to, Sections 28-3A-6, 28-3A-25, and  
38 28-7-4, upon application made on a form provided by the board  
39 at least 25 days in advance of the event for which a license  
40 is sought and accompanied by a fee not to exceed fifty dollars  
41 (\$50), the board shall issue a license for a wine festival to  
42 a manufacturer of wine licensed by the board manufacturing at  
43 least 500 gallons of table wine in this state annually; a  
44 retailer; an organization comprised entirely of grape growers,  
45 wineries, or grape growers and wineries; a municipality; a  
46 county; or an incorporated arts council, main street program,  
47 501(c) organization, other nonprofit organization as that term  
48 is defined by rule of the board, or downtown development  
49 entity upon such terms and conditions as the board may  
50 prescribe by rule.

51 (2) The wine festival license shall authorize the  
52 licensee to host a festival at which wine festival participant  
53 licensees may dispense tastings and sell at retail to  
54 individuals physically present at the festival for on-premises  
55 or off-premises consumption and for personal use and not for  
56 resale, subject to subsection (e).



57 (3) If the applicant for a wine festival license is  
58 currently a licensee of the board at the time of application,  
59 the board shall only require submission of all of the  
60 following information:

61 a. The name and address of the applicant and photo  
62 identification.

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

64 c. A description of the wine festival location. If the  
65 applicant does not own or control the wine festival location,  
66 then the applicant shall include written permission by the  
67 person with ownership or control over the property for the  
68 wine festival licensee and any wine festival participant  
69 licensees to use the property for that wine festival.

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

71 a. That the applicant submit the application to the  
72 board in person.

73 b. That the applicant certify that a liquor liability  
74 insurance policy providing coverage for the applicant for the  
75 wine festival has been purchased where the applicant submits a  
76 written statement from the liquor liability insurer that the  
77 applicant's existing liquor liability insurance policy covers  
78 the applicant's activities at the wine festival.

79 (c) A wine festival licensed under this section may not  
80 operate for more than five consecutive days.

81 (d) (1) Upon application made on a form provided by the  
82 board at least 15 days in advance of the event for which a  
83 license is sought and accompanied by a fee not to exceed  
84 ~~fifteen dollars (\$15)~~ ten dollars (\$10), the board shall issue



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85 a wine festival participant license to any retailer or any  
86 manufacturer of table wine licensed by the board that  
87 manufactures at least 500 gallons of table wine in this state  
88 annually.

89 (2) A wine festival participant license shall authorize  
90 the licensee to dispense tastings and sell at retail to  
91 individuals physically present at the festival for on-premises  
92 consumption or off-premises consumption and for personal use  
93 and not for resale, subject to subsection (e).

94 (3) Because the applicant for a wine festival  
95 participant license is already a licensee of the board at the  
96 time of application, the board shall only require submission  
97 of all of the following information:

98 a. The name and address of the applicant and photo  
99 identification.

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

101 c. A description of the wine festival location.

102 d. If the host licensee for the wine festival is a  
103 501(c)(3) organization or other nonprofit organization as  
104 described in subdivision (b)(1), a written certification from  
105 the applicant that a majority of the net proceeds from the  
106 applicant's sales at the festival shall go to the nonprofit  
107 organization.

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

109 a. That the applicant submit the application to the  
110 board in person.

111 b. A certificate showing that the applicant has  
112 purchased a liquor liability insurance policy for the wine



113 festival in a case where the applicant submits one of the  
114 following:

115 1. A written statement from the applicant's liquor  
116 liability insurer certifying that the applicant's existing  
117 liquor liability insurance policy covers the applicant's  
118 activities at the wine festival.

119 2. A written statement from the wine festival  
120 licensee's liquor liability insurer that the licensee's  
121 existing liquor liability insurance policy covers the  
122 activities of the host and any wine festival participant  
123 licensee at the wine festival who does not currently possess a  
124 liquor liability insurance policy.

125 (e) (1) Wine sold at a wine festival for off-premises  
126 consumption shall only be sold by a wine festival participant  
127 licensee and shall be sealed, labeled, and packaged in  
128 accordance with local, state, and federal laws and  
129 regulations.

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

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

134 (f) The sale of wine at any wine festival may not be  
135 permitted on any Sunday in a county or municipality that has  
136 not authorized alcoholic beverages to be sold on Sunday.

137 (g) If a wine festival is to take place entirely on the  
138 premises of the winery that was granted the license to host  
139 the wine festival or a winery that is a member of the  
140 organization granted the license to host the festival, then



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141 the board may not require any fee for the wine festival  
142 license or any wine festival participant license relating to  
143 that festival.

144 (h) (1) Each wine festival participant licensee  
145 participating in a wine festival shall collect and remit all  
146 state and local sales and use taxes and all excise and other  
147 taxes due on the sale of wine by the licensee to customers at  
148 retail.

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

158 (3) Each wine festival participant licensee shall  
159 collect all the county and local sales and use taxes due on  
160 the sale of wine at the festival and may remit those taxes to  
161 the wine festival licensee in a manner and method established  
162 by the wine festival licensee. The wine festival licensee  
163 shall remit the state and local sales and use taxes to the  
164 appropriate governing body within seven days following the  
165 conclusion of the wine festival, whether or not the wine  
166 festival licensee is exempt from sales tax by law.

167 ~~(4)a. A wine festival licensee shall register with the~~  
168 ~~county governing body, or if applicable, municipal governing~~



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

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

191 c. Each wine festival licensee and wine festival  
192 participant licensee shall be subject to audit by the county  
193 and municipal governing body of the location at which the wine  
194 festival occurs, for the county and local sales tax remitted  
195 by or on behalf of that licensee. Each wine festival licensee  
196 shall be responsible for any unreported sales or unremitted





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197 sales tax, including unreported or unremitted sales tax  
198 related to the failure of that licensee to fully remit and  
199 record any sale during the wine festival. Failure to remit  
200 sales tax pursuant to this section shall be enforced pursuant  
201 to Chapter 23 of Title 40.

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

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

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

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

217 ~~(l)~~ (m) If any provision of this section or its  
218 application to any person or circumstance is determined by a  
219 court to be invalid or unconstitutional, that provision shall  
220 be stricken and the remaining provisions shall be construed in  
221 accordance with the intent of the Legislature to further  
222 limit, rather than expand, commerce in alcoholic beverages,  
223 including by prohibiting any commerce in alcoholic beverages  
224 not expressly authorized, and to enhance strict regulatory



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225 control over taxation, distribution, and sale of alcoholic  
226 beverages through the existing uniform system of regulation of  
227 alcoholic beverages."

228           "§28-6A-2

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

231           (2) For the purposes of this section, a "small farm  
232 winery" means a manufacturer of table wine licensed by the  
233 Alcoholic Beverage Control Board, which produces fewer than  
234 50,000 gallons of table wine per year, and meets one of the  
235 following criteria:

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

239           b. Produces all of its total production of table wine  
240 within this state and owns not less than eight acres of  
241 vineyards in this state.

242           ~~(2)~~ (3) For the purposes of this section, table wine  
243 that has been produced by a manufacturer, or a subsidiary or  
244 affiliate or other related entity of the manufacturer, and  
245 table wine produced exclusively for the winery by another  
246 manufacturer shall be considered to be produced by the winery  
247 and shall be included in the 50,000 gallon limit provided in  
248 subdivision ~~(1)~~ (2).

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



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

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

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

267 1. Sell and transport up to 10,000 gallons of its table  
268 wine produced on its licensed premises directly to licensed  
269 retailers each year.

270 2. Sell and transport up to 20,000 gallons of its table  
271 wine produced on its licensed premises directly to licensed  
272 retailers each year, if the winery provides to the board proof  
273 that the winery's table wine has been declined to be  
274 distributed by two separate wholesalers of table wine. If the  
275 winery's table wine has been accepted for distribution by any  
276 wholesaler of table wine, then the winery may not sell its  
277 table wine directly to retailers under this paragraph.

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



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281 c. If a winery sells and transports 20,000 total  
282 gallons of table wine directly to retailers as provided in  
283 this subdivision in any one year, that winery may not  
284 subsequently sell and transport table wine directly to  
285 retailers under this subdivision.

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

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

297 (e)(1) A small farm winery shall maintain records  
298 verifying that the winery meets the qualifications under this  
299 section, and shall provide those records to the board upon  
300 request.

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

304 (f) The board shall adopt rules to implement this  
305 section."

306 "§28-7-10.1

307 (a) Upon an applicant's compliance with this section  
308 and the rules adopted pursuant to this section, the board may



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309 issue a wine manufacturer license to the applicant which shall  
310 authorize the licensee to manufacture or otherwise distill,  
311 produce, ferment, bottle, or compound wine in a dry county  
312 only for the sale for distribution outside of the county. No  
313 person shall manufacture or otherwise distill, produce,  
314 ferment, bottle, or compound wine in a dry county for sale or  
315 distribution unless the person or the authorized  
316 representative of the person has been granted a wine  
317 manufacturer license issued by the board pursuant to this  
318 section.

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

321 (1) Selling any wine ~~direct to any retailer or for~~  
322 ~~consumption on the premises where sold~~ or dispensing any  
323 tastings for consumption on its licensed premises.

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

328 (3) Maintaining or operating within the state any place  
329 or places, other than the place or places covered by the wine  
330 manufacturer license.

331 (c) Any wine manufactured in the dry county by the  
332 manufacturer licensed pursuant to this section may be sold  
333 only for shipment and delivery to a licensed wine  
334 ~~distributor~~ wholesaler in this state or to a legal distributor  
335 outside of this state ~~-,~~ except that the manufacturer may use  
336 its employees to sell and transport wine directly to retail



337 licensees of the board in a vehicle owned or leased by the  
338 manufacturer subject to the following limits:

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

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

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

358 (e) A wine manufacturer licensee licensed pursuant to  
359 this section shall be required to send to the board, prior to  
360 the twentieth day of each month, a consolidated report of all  
361 shipments of alcoholic beverages made to each licensed  
362 wholesaler or licensed retailer during the preceding month.  
363 The reports shall be in the form and shall contain the  
364 information as the board may require.



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

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

387 (h) Where otherwise lawful, a manufacturer licensed  
388 under this section may qualify with the board as the host of  
389 or as a participant in a wine festival located in a wet  
390 municipality in the county of its licensed premises or outside  
391 the county of its licensed premises pursuant to Section  
392 28-3A-20.4.



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

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

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

403 "§28-7-16

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

416 (b) Collection, Monthly Return, Remittance, Right to  
417 Examine Books and Records.

418 (1) The tax levied by subsection (a) shall be added to  
419 the sales price of all table wine containing not more than  
420 sixteen and one-half percent alcohol by volume sold and shall





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

437 (2) The tax hereby levied shall be collected by a  
438 monthly return, which shall be filed by the wholesale  
439 licensees as follows: A monthly return filed with the board  
440 not later than the 15th day of the second month following the  
441 month of receipt of table wine containing not more than  
442 sixteen and one-half percent alcohol by volume by the  
443 wholesaler on a form prescribed by the board showing receipts  
444 by the wholesalers from manufacturer, importer, or other  
445 wholesaler licensees during the month of receipt and the taxes  
446 due thereon at the rate of thirty-eight cents (\$.38) per liter  
447 of table wine containing not more than sixteen and one-half  
448 percent alcohol by volume sold to the wholesale licensee or



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

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

472 (4) The board and the governing body of each county and  
473 municipality served by the wholesaler shall have the authority  
474 to examine the books and records of any person who sells,  
475 stores, or receives for the purpose of distribution any table  
476 wine, containing not more than sixteen and one-half percent



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477 alcohol by volume to determine the accuracy of any return  
478 required to be filed with it.

479 (c) Disposition of proceeds. The proceeds of the tax  
480 levied by subsection (a) shall be paid and distributed as  
481 follows:

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

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

497 (d) There is hereby levied in addition to the license  
498 taxes provided for by this chapter and municipal and county  
499 license taxes and in addition to any marked-up price made by  
500 the board on wine sold by the board a privilege or excise tax  
501 measured by and graduated in accordance with the volume of  
502 sales of table wine containing more than sixteen and one-half  
503 percent alcohol by volume. The tax shall be an amount equal to  
504 two dollars and forty-two cents (\$2.42) per liter of table



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505 wine containing more than sixteen and one-half percent alcohol  
506 by volume sold to the wholesale licensee or board, to be  
507 collected from the purchaser by the board or by a licensed  
508 retailer.

509 (e) Collection, Monthly Return, Remittance, Right to  
510 Examine Books and Records.

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

530 (2) The tax levied in subsection (d) shall be collected  
531 by a monthly return, which shall be filed by the wholesale  
532 licensees with the board not later than the 15th day of the



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533 second month following the month of receipt of table wine  
534 containing more than sixteen and one-half percent alcohol by  
535 volume by the wholesaler on a form prescribed by the board  
536 showing receipts by the wholesalers from manufacturer,  
537 importer, or other wholesaler licensees during the month of  
538 receipt and the taxes due thereon at the rate of two dollars  
539 and forty-two cents (\$2.42) per liter of table wine containing  
540 more than sixteen and one-half percent alcohol by volume sold  
541 to the wholesale licensee or board; the taxes due at such rate  
542 shall be remitted to the board along with the return.

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

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

556 (f) Disposition of proceeds. The proceeds of the tax  
557 levied by subsection (d) shall be paid and distributed as  
558 follows:

559 (1) Thirty-seven percent to the Alcoholic Beverage  
560 Control Board.



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

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

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

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

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

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

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

583 ~~(h)~~ (i) Trade between wholesalers exempt. The taxes  
584 levied by subsections (a) and (d) shall not be imposed upon  
585 the sale, trade, or barter of table wine by one licensed  
586 wholesaler to another wholesaler licensed to sell and handle  
587 table wine in this state, which transaction is hereby made  
588 exempt from the tax; provided, however, the board may require



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589 written reporting of any such transaction in the form as the  
590 board may prescribe."

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



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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB285

Senate 11-May-23

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris,  
Secretary.

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House of Representatives

Passed: 31-May-23

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By: Senator Jones