

AN ACT

ENTITLED, An Act to establish certain provisions regarding the licensing of wine manufacturers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That the code be amended by adding a NEW SECTION to read:

For the purposes of this Act the term, wine manufacturer, means any manufacturer located in this state producing, blending, filtering, clarifying, aging and bottling wine, as defined in § 35-1-1, that is not a farm winery.

Section 2. That the code be amended by adding a NEW SECTION to read:

The fee for a wine manufacturer license is two thousand five hundred dollars.

Section 3. That the code be amended by adding a NEW SECTION to read:

Except as provided in this Act, all provisions of title 35 apply to the production, sale, possession, transportation, and consumption of alcoholic beverages produced by any person licensed pursuant to this Act.

Section 4. That the code be amended by adding a NEW SECTION to read:

There is hereby levied on all alcoholic beverages produced by any person licensed pursuant to this Act an excise tax at the same rates and collected and administered in the same manner as the taxes imposed on alcoholic beverages in chapter 35-5. Notwithstanding any other provision of law, the taxes imposed on a wine manufacturer shall be deposited in the general fund.

Section 5. That the code be amended by adding a NEW SECTION to read:

A licensed wine manufacturer may sell on the licensed premises alcoholic beverages produced by the licensee for on-sale or off-sale consumption. A licensed wine manufacturer may sell alcoholic beverages produced by the licensee to any wholesaler authorized to receive the alcoholic beverages.

Section 6. That the code be amended by adding a NEW SECTION to read:

The holder of any license issued under this Act shall register labels for each type or brand

produced with the department in the same manner as prescribed for alcoholic beverages in chapter 39-13, before sale. If the label or brand states or implies in a false or misleading manner a connection with an actual living or dead Native American leader, the department shall reject the registration of the label.

Section 7. That the code be amended by adding a NEW SECTION to read:

The secretary may promulgate rules, pursuant to chapter 1-26, establishing the criteria and procedures for obtaining a license pursuant to this Act, and procedures for collecting the excise taxes pertaining to the licenses.

Section 8. That the code be amended by adding a NEW SECTION to read:

The quantity of bulk wine in any wine manufacturer's annual production shall not exceed fifty percent of that winery's annual production. The bulk wine must be blended and not bottled. Bulk wine as used in this section means fermented juice from grapes and other fruit bases or honey.

Section 9. Any license issued pursuant to this Act is effective from July 1, 2018, until July 1, 2019, and may not be renewed.

An Act to establish certain provisions regarding the licensing of wine manufacturers.

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I certify that the attached Act
originated in the

SENATE as Bill No. 187

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 187

File No. \_\_\_\_\_

Chapter No. \_\_\_\_\_

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Received at this Executive Office
this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor

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The attached Act is hereby
approved this \_\_\_\_\_ day of
\_\_\_\_\_, A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_\_\_
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State