



General Assembly

Amendment

January Session, 2005

LCO No. 7572

SB0012207572SD0

Offered by:

SEN. COLAPIETRO, 31st Dist.

REP. STONE, 9th Dist.

To: Senate Bill No. 122

File No. 69

Cal. No. 129

"AN ACT CONCERNING THE SHIPMENT OF WINE TO STATE RESIDENTS."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subsection (e) of section 30-16 of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective from*
5 *passage*):

6 (e) (1) A manufacturer permit for a farm winery shall be in all
7 respects the same as a manufacturer permit, except that the scope of
8 operations of the holder shall be limited to wine and brandies distilled
9 from grape products or other fruit products, including grappa and
10 eau-de-vie. As used in this section, "farm winery" means any place or
11 premises, located on a farm in the state in which wine is manufactured
12 and sold.

13 (2) Such permit shall authorize (A) the sale in bulk by the holder

14 thereof from the premises where the products are manufactured
15 pursuant to such permit; [and shall authorize the holder thereof to sell
16 from such farm winery premises] (B) the sale and shipment by the
17 holder thereof to a retailer of wine manufactured by the farm winery
18 permittee in the original sealed containers of not more than fifteen
19 gallons per container; [and to sell or deliver such] (C) the sale and
20 shipment by the holder thereof of wine [or brandy] manufactured by
21 the farm winery permittee to persons outside the state; [. Such permit
22 shall also authorize: (1) The] (D) the offering and tasting of free
23 samples of such wine or brandy to visitors and prospective retail
24 customers for consumption on the premises of the farm winery
25 permittee; [(2) the selling] (E) the sale at retail from the premises of
26 sealed bottles or other sealed containers of such wine or brandy for
27 consumption off the premises; [and (3) the selling] (F) the sale at retail
28 from the premises of wine or brandy by the glass and bottle to visitors
29 on the premises of the farm winery permittee for consumption on the
30 premises; [, provided] and (G) subject to the provisions of subdivision
31 (3) of this subsection, the sale and delivery or shipment of wine
32 manufactured by the permittee directly to a consumer in this state.
33 Notwithstanding the provisions of subparagraphs (D), (E) and (F) of
34 this subdivision, a town may, by ordinance or zoning regulation,
35 prohibit any such offering, tasting or selling at retail at premises within
36 such town for which a manufacturer permit for farm winery has been
37 issued.

38 (3) A permittee, when selling and shipping wine directly to a
39 consumer in this state, shall: (A) Ensure that the shipping labels on all
40 containers of wine shipped directly to a consumer in this state
41 conspicuously state the following: "CONTAINS ALCOHOL –
42 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR
43 DELIVERY"; (B) obtain the signature of a person age twenty-one or
44 older at the address prior to delivery, after requiring the signer to
45 demonstrate that he or she is age twenty-one or older by providing a
46 valid motor vehicle operator's license or a valid identity card described
47 in section 1-1h; (C) not ship more than five gallons of wine in any

48 sixty-day period to any person in this state; (D) pay, to the Department
49 of Revenue Services, all sales taxes and alcoholic beverage taxes due
50 under chapters 219 and 220 on sales of wine to consumers in this state,
51 and file, with said department, all sales tax returns and alcoholic
52 beverage tax returns relating to such sales; (E) report to the
53 Department of Consumer Protection a separate and complete record of
54 all sales and shipments to consumers in the state, on a ledger sheet or
55 similar form which readily presents a chronological account of such
56 permittee's dealings with each such consumer; (F) not ship to any
57 address in the state where the sale of alcoholic liquor is prohibited by
58 local option pursuant to section 30-9; and (G) hold an in-state
59 transporter's permit pursuant to section 30-19f, as amended by this act,
60 or make any such shipment through the use of a person who holds
61 such an in-state transporter's permit.

62 (4) No licensed farm winery may sell any such wine or brandy not
63 manufactured by such winery, except a licensed farm winery may sell
64 from the premises wine manufactured by another farm winery located
65 in this state.

66 (5) The farm winery permittee shall produce within the state an
67 average crop of fruit equal to not less than twenty-five per cent of the
68 fruit used in the manufacture of the farm winery permittee's wine. An
69 average crop shall be defined each year as the average yield of the
70 farm winery permittee's two largest annual crops out of the preceding
71 five years, except that during the first seven years from the date of
72 issuance of a farm winery permit, an average crop shall be defined as
73 three tons of grapes for each acre of vineyard farmed by the farm
74 winery permittee.

75 (6) A holder of a manufacturer permit for a farm winery, when
76 advertising or offering wine for direct shipment to a consumer in this
77 state via the Internet or any other on-line computer network, shall
78 clearly and conspicuously state such liquor permit number in its
79 advertising.

80 (7) The annual fee for a manufacturer permit for a farm winery shall
81 be two hundred forty dollars.

82 Sec. 2. Section 30-18 of the general statutes is repealed and the
83 following is substituted in lieu thereof (*Effective from passage*):

84 (a) An out-of-state shipper's permit for alcoholic liquor other than
85 beer shall allow the sale of such alcoholic liquor to manufacturer and
86 wholesaler permittees in this state as permitted by law. The permit
87 premises of an out-of-state shipper's permit for alcoholic liquor may be
88 located within this state or outside this state. The annual fee for an out-
89 of-state shipper's permit for alcoholic liquor other than beer shall be
90 forty-five dollars for a Connecticut manufacturer or wholesaler
91 holding such a permit and shall be one thousand dollars for any other
92 person holding such a permit.

93 (b) Subject to the provisions of this subsection, an out-of-state
94 shipper's permit for alcoholic liquor other than beer shall allow the sale
95 and delivery or shipment of wine manufactured by the permittee
96 directly to a consumer in this state. Such permittee, when selling and
97 shipping wine directly to a consumer in this state, shall: (1) Ensure that
98 the shipping labels on all containers of wine shipped directly to a
99 consumer in this state conspicuously state the following: "CONTAINS
100 ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER
101 REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age
102 twenty-one or older at the address prior to delivery, after requiring the
103 signer to demonstrate that he or she is age twenty-one or older by
104 providing a valid motor vehicle operator's license or a valid identity
105 card described in section 1-1h; (3) not ship more than five gallons of
106 wine in any sixty-day period to any person in this state and not ship
107 any wine until such permittee is registered, with respect to the
108 permittee's sales of wine to consumers in this state, for purposes of the
109 taxes imposed under chapters 219 and 220, with the Department of
110 Revenue Services; (4) pay, to the Department of Revenue Services, all
111 sales taxes and alcoholic beverage taxes due under chapters 219 and
112 220 on sales of wine to consumers in this state, and file, with said

113 department, all sales tax returns and alcoholic beverage tax returns
114 relating to such sales, with the amount of such taxes to be calculated as
115 if the sale were in this state at the location where delivery is made; (5)
116 report to the Department of Consumer Protection a separate and
117 complete record of all sales and shipments to consumers in the state,
118 on a ledger sheet or similar form which readily presents a
119 chronological account of such permittee's dealings with each such
120 consumer; (6) permit the Department of Consumer Protection and
121 Department of Revenue Services, separately or jointly, to perform an
122 audit of the permittee's records upon request; (7) not ship to any
123 address in the state where the sale of alcoholic liquor is prohibited by
124 local option pursuant to section 30-9; (8) hold an in-state transporter's
125 permit pursuant to section 30-19f, as amended by this act, or make any
126 such shipment through the use of a person who holds such an in-state
127 transporter's permit; and (9) execute a written consent to the
128 jurisdiction of this state, its agencies and instrumentalities and the
129 courts of this state concerning the enforcement of this section and any
130 related laws, rules, or regulations, including, but not limited to, tax
131 laws, rules or regulations.

132 (c) The Department of Consumer Protection, in consultation with
133 the Department of Revenue Services, may adopt regulations, in
134 accordance with the provisions of chapter 54, to assure compliance
135 with the provisions of subsection (b) of this section.

136 (d) A holder of an out-of-state shipper's permit for alcoholic liquor
137 other than beer, when advertising or offering wine for direct shipment
138 to a consumer in this state via the Internet or any other on-line
139 computer network, shall clearly and conspicuously state such liquor
140 permit number in its advertising.

141 (e) (1) For purposes of chapter 219, the holder of an out-of-state
142 shipper's permit for alcoholic liquor other than beer, when shipping
143 wine directly to a consumer in this state, shall be deemed to be a
144 retailer engaged in business in this state, as defined in chapter 219, and
145 shall be required to be issued a seller's permit pursuant to chapter 219.

146 (2) For purposes of chapter 220, the holder of an out-of-state
147 shipper's permit for alcoholic liquor other than beer, when shipping
148 wine directly to a consumer in this state, shall be deemed to be a
149 distributor as defined in chapter 220 and shall be required to be
150 licensed pursuant to chapter 220.

151 (f) Any person who applies for an out-of-state shipper's permit for
152 alcoholic liquor other than beer or for the renewal of such permit shall
153 furnish an affidavit to the Department of Consumer Protection, in such
154 form as may be prescribed by the department, affirming that the out-
155 of-state shipper that is the subject of such permit did not produce more
156 than one hundred thousand gallons of wine during the most recently
157 completed calendar year.

158 (g) The annual fee for an out-of-state small winery shipper's permit
159 for wine shall be two hundred fifty dollars.

160 (h) As used in this section, "out-of-state" means any state other than
161 Connecticut, any territory or possession of the United States, the
162 District of Columbia or the Commonwealth of Puerto Rico, but does
163 not include any foreign country.

164 Sec. 3. Section 30-18a of the general statutes is repealed and the
165 following is substituted in lieu thereof (*Effective from passage*):

166 (a) An out-of-state [small] winery shipper's permit for wine shall
167 allow the sale of wine to manufacturer and wholesaler permittees in
168 this state as permitted by law.

169 (b) Subject to the provisions of this subsection, an out-of-state
170 winery shipper's permit for wine shall allow the sale and delivery or
171 shipment of wine manufactured by the permittee directly to a
172 consumer in this state. Such permittee, when selling and shipping
173 wine directly to a consumer in this state, shall: (1) Ensure that the
174 shipping labels on all containers of wine shipped directly to a
175 consumer in this state conspicuously state the following: "CONTAINS
176 ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER

177 REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age
178 twenty-one or older at the address prior to delivery, after requiring the
179 signer to demonstrate that he or she is age twenty-one or older by
180 providing a valid motor vehicle operator's license or a valid identity
181 card described in section 1-1h; (3) not ship more than five gallons of
182 wine in any sixty-day period to any person in this state and not ship
183 any wine until such permittee is registered, with respect to the
184 permittee's sales of wine to consumers in this state, for purposes of the
185 taxes imposed under chapters 219 and 220, with the Department of
186 Revenue Services; (4) pay, to the Department of Revenue Services, all
187 sales taxes and alcoholic beverage taxes due under chapters 219 and
188 220 on sales of wine to consumers in this state, and file, with said
189 department, all sales tax returns and alcoholic beverage tax returns
190 relating to such sales, with the amount of such taxes to be calculated as
191 if the sale were in this state at the location where delivery is made; (5)
192 report to the Department of Consumer Protection a separate and
193 complete record of all sales and shipments to consumers in the state,
194 on a ledger sheet or similar form which readily presents a
195 chronological account of such permittee's dealings with each such
196 consumer; (6) permit the Department of Consumer Protection and
197 Department of Revenue Services, separately or jointly, to perform an
198 audit of the permittee's records upon request; (7) not ship to any
199 address in the state where the sale of alcoholic liquor is prohibited by
200 local option pursuant to section 30-9; (8) hold an in-state transporter's
201 permit pursuant to section 30-19f, as amended by this act, or make any
202 such shipment through the use of a person who holds such an in-state
203 transporter's permit; and (9) execute a written consent to the
204 jurisdiction of this state, its agencies and instrumentalities and the
205 courts of this state concerning the enforcement of this section and any
206 related laws, rules, or regulations, including tax laws, rules or
207 regulations.

208 (c) The Department of Consumer Protection, in consultation with
209 the Department of Revenue Services, may adopt regulations in
210 accordance with the provisions of chapter 54 to assure compliance

211 with the provisions of subsection (b) of this section.

212 (d) A holder of an out-of-state winery shipper's permit for wine,
213 when advertising or offering wine for direct shipment to a consumer in
214 this state via the Internet or any other on-line computer network, shall
215 clearly and conspicuously state such liquor permit number in its
216 advertising.

217 (e) (1) For purposes of chapter 219, the holder of an out-of-state
218 winery shipper's permit for wine, when shipping wine directly to a
219 consumer in this state, shall be deemed to be a retailer engaged in
220 business in this state as defined in chapter 219 and shall be required to
221 be issued a seller's permit pursuant to chapter 219.

222 (2) For purposes of chapter 220, the holder of an out-of-state winery
223 shipper's permit for wine, when shipping wine directly to a consumer
224 in this state, shall be deemed to be a distributor as defined in chapter
225 220 and shall be required to be licensed pursuant to chapter 220.

226 (f) Any person who applies for [such] an out-of-state winery
227 shipper's permit for wine or for the renewal of such permit shall
228 furnish an affidavit to the Department of Consumer Protection, in such
229 form as may be prescribed by the department, affirming that the out-
230 of-state [small] winery [which] that is the subject of such permit did
231 not produce more than one hundred thousand gallons of wine during
232 the most recently completed calendar year.

233 (g) The annual fee for an out-of-state [small] winery shipper's permit
234 for wine shall be two hundred fifty dollars.

235 (h) As used in this section, "out-of-state" means any state other than
236 Connecticut, any territory or possession of the United States, the
237 District of Columbia or the Commonwealth of Puerto Rico, but does
238 not include any foreign country.

239 Sec. 4. Section 30-19f of the general statutes is repealed and the
240 following is substituted in lieu thereof (Effective from passage):

241 (a) An in-state transporter's permit for alcoholic liquor shall allow
242 the commercial transportation of any alcoholic liquor as permitted by
243 law. The annual fee for an in-state transporter's liquor permit shall be
244 one thousand dollars.

245 (b) No person, corporation, trust, partnership, incorporated or
246 unincorporated association, and any other legal entity except: (1) The
247 holder of an out-of-state shipper's permit issued pursuant to section
248 30-18 or 30-19; (2) the holder of a manufacturer's permit issued
249 pursuant to section 30-16 other than the holder of a manufacturer's
250 permit for a farm winery; and (3) the holder of a wholesaler's permit
251 issued pursuant to section 30-17 shall transport any alcoholic
252 beverages imported into this state unless such person holds an in-state
253 transporter's permit and the tax imposed on such alcoholic liquor by
254 section 12-435 has been paid and, if applicable, the tax imposed on the
255 sale of such alcoholic liquor pursuant to chapter 219 has been paid.

256 (c) An in-state transporter, when shipping or delivering wine
257 directly to a consumer in this state, shall: (1) Ensure that the shipping
258 labels on all containers of wine shipped directly to a consumer in this
259 state conspicuously state the following: "CONTAINS ALCOHOL –
260 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR
261 DELIVERY"; (2) obtain the signature of a person age twenty-one or
262 older at the address prior to delivery, after requiring the signer to
263 demonstrate that he or she is age twenty-one or older by providing a
264 valid motor vehicle operator's license or a valid identity card described
265 in section 1-1h; and (3) not ship to any address in the state where the
266 sale of alcoholic liquor is prohibited by local option pursuant to section
267 30-9.

268 [(c)] (d) Any person convicted of violating subsections (a) and (b) of
269 this section shall be fined not more than two thousand dollars for each
270 offense.

271 Sec. 5. Subsection (a) of section 30-48 of the general statutes is
272 repealed and the following is substituted in lieu thereof (*Effective from*

273 *passage*):

274 (a) No backer or permittee of one permit class shall be a backer or
275 permittee of any other permit class except in the case of any class of
276 airport, railroad, airline and boat permits, and except that: (1) A backer
277 of a hotel or restaurant permit may be a backer of both such classes; (2)
278 a holder or backer of a manufacturer permit for a brew pub, a
279 restaurant permit or a cafe permit may be a holder or backer of any
280 other or all of such classes; (3) a holder or backer of a restaurant permit
281 may be a holder or backer of a bowling establishment permit; (4) a
282 backer of a restaurant permit may be a backer of a coliseum permit or a
283 coliseum concession permit, or both, when such restaurant is within a
284 coliseum; (5) a backer of a hotel permit may be a backer of a coliseum
285 permit or a coliseum concession permit, or both; (6) a backer of a
286 coliseum permit may be a backer of a coliseum concession permit; (7) a
287 backer of a coliseum concession permit may be a backer of a coliseum
288 permit; (8) a backer of a grocery store beer permit may be a backer of a
289 package store permit if such was the case on or before May 1, 1996; (9)
290 a backer of a university permit may be a backer of a nonprofit theater
291 permit; (10) subject to the discretion of the department, a backer of a
292 permit provided for in section 30-33b, may be a backer of any other
293 retail on-premise consumption permit, including those permits
294 provided for in section 30-33b; (11) a backer of a nonprofit theater
295 permit may be a holder or backer of a hotel permit; (12) a holder or
296 backer of a restaurant permit may be a holder or backer of a special
297 outing facility permit; [and] (13) a backer of a concession permit may
298 be a backer of a coliseum permit or a coliseum concession permit, or
299 both; (14) a holder of an out-of-state winery shipper's permit for wine
300 may be a holder of an in-state transporter's permit; and (15) a holder of
301 a manufacturer's permit for a farm winery may be a holder of an in-
302 state transporter's permit. Any person may be a permittee of more than
303 one permit. A person may be a permittee under a permit provided for
304 in section 30-33b and a backer of any other retail on-premise
305 consumption permit, including those permits provided for in section
306 30-33b. The operator of a racing or jai alai exhibition with pari-mutuel

307 betting licensed by the Gaming Policy Board may be a backer of any
308 permit provided for in section 30-33b. No holder of a manufacturer
309 permit for a brew pub and no spouse or child of such holder may be a
310 holder or backer of more than three restaurant permits or cafe permits.

311 Sec. 6. Subsection (b) of section 12-436 of the general statutes is
312 repealed and the following is substituted in lieu thereof (*Effective from*
313 *passage*):

314 (b) (1) No person, except a licensed distributor and railroad or
315 airline companies so far as they conduct such beverage business in cars
316 or passenger trains or airplanes, shall sell any alcoholic beverages in
317 this state or possess such beverages with intent to sell, unless such
318 beverages have previously been subject to the tax imposed by this
319 chapter.

320 (2) [No] (A) Except as otherwise provided in this subdivision, and
321 section 30-18a, as amended by this act, no person shall ship, transport
322 or import alcoholic beverages into this state unless such alcoholic
323 beverages are delivered to a licensed distributor or to an internal
324 revenue or United States customs bonded warehouse under
325 regulations prescribed by the Commissioner of Revenue Services, or
326 are transported in bonded trucks to vessels in Connecticut ports for
327 export.]; provided (A) any]

328 (B) (i) Any individual may import alcoholic beverages purchased by
329 such individual within the territorial limits of the United States to an
330 amount not to exceed five gallons in any sixty-day period for such
331 individual's own consumption, [(B)] (ii) any individual may import
332 alcoholic beverages, whether or not purchased by such individual,
333 from outside the territorial limits of the United States to an amount not
334 to exceed five gallons in any three-hundred-sixty-five-day period for
335 such individual's own consumption, and [(C)] (iii) any individual who
336 has resided outside the United States for a period of six months or
337 more may, on one occasion and in conjunction with the return of such
338 individual's personal and household goods and effects upon the

339 termination of such foreign residency, import wine to an amount not
 340 to exceed one hundred gallons, of which not more than twenty gallons
 341 shall be of the same brand and spirits not to exceed ten gallons of
 342 which not more than two gallons shall be of the same brand, after
 343 making application in each such case to the Department of Revenue
 344 Services and presenting with the application a tax return prescribed by
 345 the Commissioner of Revenue Services and reporting the taxes under
 346 this chapter and under chapter 219 for which the applicant is liable.
 347 Payment of such taxes shall accompany such application and tax
 348 return. A copy of the importation certificate issued by the Department
 349 of Revenue Services shall accompany each such shipment.

350 (3) The provisions of this section shall not apply to alcoholic
 351 beverages which are actually brought into the state by any individual
 352 in quantities of four gallons or less."

| | | |
|---|---------------------|-----------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>from passage</i> | 30-16(e) |
| Sec. 2 | <i>from passage</i> | 30-18 |
| Sec. 3 | <i>from passage</i> | 30-18a |
| Sec. 4 | <i>from passage</i> | 30-19f |
| Sec. 5 | <i>from passage</i> | 30-48(a) |
| Sec. 6 | <i>from passage</i> | 12-436(b) |