



Senate Bill No. 1204

Public Act No. 07-39

AN ACT CONCERNING ALCOHOL SHIPPING PERMITS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (e) of section 30-16 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

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

(2) Such permit shall authorize (A) the sale in bulk by the holder thereof from the premises where the products are manufactured pursuant to such permit; (B) as to a manufacturer who produces one hundred thousand gallons of wine or less per year, the sale and shipment by the holder thereof to a retailer of wine manufactured by the farm winery permittee in the original sealed containers of not more than fifteen gallons per container; (C) the sale and shipment by the holder thereof of wine manufactured by the farm winery permittee to

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persons outside the state; (D) the offering and tasting of free samples of such wine or brandy to visitors and prospective retail customers for consumption on the premises of the farm winery permittee; (E) the sale at retail from the premises of sealed bottles or other sealed containers of such wine or brandy for consumption off the premises; (F) the sale at retail from the premises of wine or brandy by the glass and bottle to visitors on the premises of the farm winery permittee for consumption on the premises; and (G) subject to the provisions of subdivision (3) of this subsection, the sale and delivery or shipment of wine manufactured by the permittee directly to a consumer in this state. Notwithstanding the provisions of subparagraphs (D), (E) and (F) of this subdivision, a town may, by ordinance or zoning regulation, prohibit any such offering, tasting or selling at retail at premises within such town for which a manufacturer permit for a farm winery has been issued.

(3) A permittee, when selling and shipping wine directly to a consumer in this state, shall: (A) Ensure that the shipping labels on all containers of wine shipped directly to a consumer in this state conspicuously state the following: "CONTAINS ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"; (B) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to demonstrate that he or she is age twenty-one or older by providing a valid motor vehicle operator's license or a valid identity card described in section 1-1h; (C) not ship more than five gallons of wine in any [sixty-day] two-month period to any person in this state; (D) pay, to the Department of Revenue Services, all sales taxes and alcoholic beverage taxes due under chapters 219 and 220 on sales of wine to consumers in this state, and file, with said department, all sales tax returns and alcoholic beverage tax returns relating to such sales; (E) report to the Department of Consumer Protection a separate and complete record of all sales and shipments to consumers in the state,

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on a ledger sheet or similar form which readily presents a chronological account of such permittee's dealings with each such consumer; (F) not ship to any address in the state where the sale of alcoholic liquor is prohibited by local option pursuant to section 30-9; and (G) hold an in-state transporter's permit pursuant to section 30-19f or make any such shipment through the use of a person who holds such an in-state transporter's permit.

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

(5) The farm winery permittee shall produce on the premises of the farm winery or on property adjacent to and under the same ownership and control of said permittee within the state an average crop of fruit equal to not less than twenty-five per cent of the fruit used in the manufacture of the farm winery permittee's wine. An average crop shall be defined each year as the average yield of the farm winery permittee's two largest annual crops out of the preceding five years, except that during the first seven years from the date of issuance of a farm winery permit, an average crop shall be defined as three tons of grapes for each acre of vineyard farmed by the farm winery permittee.

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

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

Sec. 2. Subsection (b) of section 30-18 of the general statutes is

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repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(b) Subject to the provisions of this subsection, an out-of-state shipper's permit for alcoholic liquor other than beer shall allow the sale and delivery or shipment of wine manufactured by the permittee on the permitted premises directly to a consumer in this state. Such permittee, when selling and shipping wine directly to a consumer in this state, shall: (1) Ensure that the shipping labels on all containers of wine shipped directly to a consumer in this state conspicuously state the following: "CONTAINS ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to demonstrate that he or she is age twenty-one or older by providing a valid motor vehicle operator's license or a valid identity card described in section 1-1h; (3) not ship more than five gallons of wine in any [sixty-day] two-month period to any person in this state and not ship any wine until such permittee is registered, with respect to the permittee's sales of wine to consumers in this state, for purposes of the taxes imposed under chapters 219 and 220, with the Department of Revenue Services; (4) pay, to the Department of Revenue Services, all sales taxes and alcoholic beverage taxes due under chapters 219 and 220 on sales of wine to consumers in this state, and file, with said department, all sales tax returns and alcoholic beverage tax returns relating to such sales, with the amount of such taxes to be calculated as if the sale were in this state at the location where delivery is made; (5) report to the Department of Consumer Protection a separate and complete record of all sales and shipments to consumers in the state, on a ledger sheet or similar form which readily presents a chronological account of such permittee's dealings with each such consumer; (6) permit the Department of Consumer Protection and Department of Revenue Services, separately or jointly, to perform an audit of the permittee's records upon request;

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(7) not ship to any address in the state where the sale of alcoholic liquor is prohibited by local option pursuant to section 30-9; (8) hold an in-state transporter's permit pursuant to section 30-19f or make any such shipment through the use of a person who holds such an in-state transporter's permit; and (9) execute a written consent to the jurisdiction of this state, its agencies and instrumentalities and the courts of this state concerning the enforcement of this section and any related laws, rules, or regulations, including, but not limited to, tax laws, rules or regulations.

Sec. 3. Subsection (b) of section 30-18a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

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

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

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

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

(e) (1) For purposes of chapter 219, the holder of an out-of-state winery shipper's permit for wine, when shipping wine directly to a consumer in this state, shall be deemed to be a retailer engaged in

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business in this state as defined in chapter 219 and shall be required to be issued a seller's permit pursuant to chapter 219.

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

(f) Any person who applies for an out-of-state winery shipper's permit for wine or for the renewal of such permit shall furnish an affidavit to the Department of Consumer Protection, in such form as may be prescribed by the department, affirming whether the out-of-state winery that is the subject of such permit produced more than one hundred thousand gallons of wine during the most recently completed calendar year.

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

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

Approved May 22, 2007