

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

SENATE BILL 1165

5 By: Senators Holland, G. Stubblefield
6

For An Act To Be Entitled

8 AN ACT TO PERMIT A SMALL FARM WINERY TO SHIP WINES
9 DIRECTLY TO ARKANSAS RESIDENTS; AND FOR OTHER
10 PURPOSES.
11

Subtitle

12
13 TO PERMIT A SMALL FARM WINERY TO SHIP
14 WINES DIRECTLY TO ARKANSAS RESIDENTS.
15
16
17

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
19

20 SECTION 1. Arkansas Code Title 3, Chapter 5, is amended to add an additional
21 subchapter to read as follows:

3-5-1701. Title.

22
23 This subchapter shall be known and may be cited as the "Direct Shipment
24 of Wine Act".
25

3-5-1702. Definitions.

As used in this section:

26
27
28 (1) "Person" means one (1) or more natural persons, a company,
29 corporation, partnership, or association;

30 (2) "Small farm winery" means a wine-making establishment that
31 sells no more than two hundred fifty thousand (250,000) gallons of wine
32 annually as reported on the United States Department of the Treasury Alcohol
33 and Tobacco Tax and Trade Bureau form 5120.17 or its successor form; and

34 (3) "Wine" means any fermented alcoholic liquor made from
35 grapes, berries, fruits, honey, or vegetables and having an alcoholic content
36 of more than five percent (5%) and not more than twenty-one percent (21%) of



1 alcohol by weight.

3 3-5-1703. Direct shipment of wine and limitations.

4 (a) A person who possesses a current small farm winery permit issued by
5 the Alcoholic Beverage Control Division may ship wine to an individual in
6 this state.

7 (b) A person with a small farm winery permit shall not ship:

8 (1) More than twelve (12) nine-liter cases of wine annually to
9 the same individual in this state;

10 (2) Wine to an individual who is less than twenty-one (21)
11 years of age; or

12 (3)(A) Wine for resale.

13 (B) Subdivision (b)(3)(A) of this section does not
14 restrict the sale or delivery of wine for resale as defined and allowed
15 elsewhere in the Arkansas Code.

17 3-5-1704. Packaging – Payment of taxes.

18 A small farm winery shipping wine under this subchapter shall:

19 (1) Ensure that all containers of wine shipped directly to an
20 individual in this state are conspicuously labeled with the following words
21 in at least a 12-point font “SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR
22 DELIVERY”.

23 (2) Keep the signature of the person twenty-one (21) years of age or
24 older on file for a period of at least twelve (12) months.

25 (3) Pay to the Department of Finance and Administration all sales
26 taxes and excise taxes due on sales to individuals in this state with the
27 sales and excise taxes calculated as if the sale took place on the premises
28 of an Arkansas small farm winery, including without limitation taxes under §§
29 3-5-1605, 3-7-104, 3-7-111, and 3-7-201.

31 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
32 General Assembly of the State of Arkansas that it would enhance the economy
33 if a small farm wine supplier is allowed to ship limited amounts of wine to a
34 resident of this state. Therefore, an emergency is declared to exist, and
35 this act being immediately necessary for the preservation of the public
36 peace, health, and safety shall become effective on:

1 (1) The date of its approval by the Governor;

2 (2) If the bill is neither approved nor vetoed by the Governor,
3 the expiration of the period of time during which the Governor may veto the
4 bill; or

5 (3) If the bill is vetoed by the Governor and the veto is
6 overridden, the date the last house overrides the veto.