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Section 2.10.3 “Mead” means an alcoholic beverage made through the fermentation of honey as the primary ingredient. Mead includes without limitation cyser, braggot, metheglin, and melomels.

SUMMARY OF SUBSTANTIVE CHANGES

Act 271 of 2021 amended the definition of a small farm winery to include mead producers and set for a definition of mead.

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1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

HOUSE BILL 1370

5 By: Representative Bryant
6

For An Act To Be Entitled

8 AN ACT TO AMEND THE DIRECT SHIPMENT OF VINOUS LIQUOR
9 ACT; TO INCLUDE AN ESTABLISHMENT THAT PRODUCES MEAD
10 IN THE DEFINITION OF "SMALL FARM WINERY"; TO ALLOW A
11 SMALL FARM WINERY TO SHIP MEAD DIRECTLY TO CONSUMERS
12 IN STATE OR OUT OF STATE IN THE SAME MANNER AS SMALL
13 FARM WINE; TO TAX MEAD IN THE SAME MANNER AS WINE;
14 AND FOR OTHER PURPOSES.
15

Subtitle

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18 TO AMEND THE DIRECT SHIPMENT OF VINOUS
19 LIQUOR ACT; TO INCLUDE AN ESTABLISHMENT
20 THAT PRODUCES MEAD IN THE DEFINITION OF
21 "SMALL FARM WINERY"; TO ALLOW MEAD
22 SHIPMENT DIRECTLY TO CONSUMERS; AND TO
23 TAX MEAD IN THE SAME MANNER AS WINE.
24
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
27

28 SECTION 1. Arkansas Code § 3-5-1605, concerning license fees and taxes
29 generally for small wineries, is amended to add an additional subsection to
30 read as follows:

31 (d) Tax on mead, as defined in § 3-5-1702, shall be imposed, assessed,
32 and levied in the same manner as wine.
33

34 SECTION 2. Arkansas Code § 3-5-1702(1), concerning the definition of
35 "small farm winery" in the Direct Shipment of Vinous Liquor Act, is amended
36 to read as follows:



1 (1)(A) "Small farm winery" means a wine-making establishment
2 that:

3 ~~(A)(i)~~ Is licensed under § 3-5-1601 et seq.; and
4 ~~(B)(ii)~~ Produced by fermentation at least eight hundred
5 gallons (800 gals.) of wine in the previous calendar year, as reported on the
6 winery's TTB F 5120-17 Report of Wine Premises Operations.

7 (B) "Small farm winery" includes an establishment that
8 produces mead;

9
10 SECTION 3. Arkansas Code § 3-5-1702, concerning the definitions used
11 in the Direct Shipment of Vinous Liquor Act, is amended to add an additional
12 subdivision to read as follows:

13 (4)(A) "Mead" means an alcoholic beverage made through the
14 fermentation of honey as the primary ingredient.

15 (B) "Mead" includes without limitation cyser, braggot,
16 metheglin, and melomels.

17
18 SECTION 4. Arkansas Code § 3-5-1709(a)(1), concerning the shipment of
19 small farm winery wine, is amended to read as follows:

20 (a)(1) A small farm winery licensee with a wine wholesale permit under
21 § 3-5-1602(c)(1)(E) may ship small farm winery wine or mead under this
22 subchapter to a private resident without the private resident having been
23 physically present or having made an in-person purchase at the small farm
24 winery if the shipment includes only small farm winery wine or mead.

25
26 SECTION 5. Arkansas Code § 3-5-1709(c), concerning the amount of small
27 farm winery that may be shipped directly to a consumer per month, is amended
28 to read as follows:

29 (c) A small farm winery may ship only one (1) case of small farm
30 winery wine and one (1) case of mead per private resident in any month.

31
32 SECTION 6. Arkansas Code § 3-5-1709(d), concerning the label on a
33 shipment of small farm winery wine, is amended to read as follows:

34 (d) A small farm winery shipping under this subchapter shall ensure
35 that all containers of small farm winery wine or mead delivered within this
36 state are conspicuously labeled as follows:

1 "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR
 2 DELIVERY".

3
 4 SECTION 7. Arkansas Code § 3-5-1709(e), concerning taxes due on the
 5 direct shipment of small farm winery wine, is amended to add an additional
 6 subdivision to read as follows:

7 (4) A small farm winery shipping mead under this section shall
 8 collect all taxes due on the mead in the same manner as required for wine.

9
 10 SECTION 8. Arkansas Code § 3-5-1709(f), concerning the records
 11 required to be maintained by a small farm winery, is amended to read as
 12 follows:

13 (f) A small farm winery that makes a direct shipment of small farm
 14 winery wine or mead under this section shall maintain records regarding each
 15 shipment of small farm winery wine or mead that include the:

16 (1) Name and address of the person to whom the small farm winery
 17 wine or mead is:

- 18 (A) Sold; and
- 19 (B) Billed; and

20 (2) Date of shipment.

21
 22 SECTION 9. Arkansas Code § 3-7-101 is amended to read as follows:
 23 3-7-101. Purpose.

24 It is declared not to be the purpose of §§ 3-7-101 – 3-7-104 and 3-7-
 25 106 – 3-7-110 to impose a duplicate or double license tax on the
 26 manufacturing, selling, blending, rectifying, or mixing in this state, or
 27 transporting in this state of spirituous liquors, vinous liquors, wines other
 28 than Arkansas wines, mead, or beer or malt beverages, as measured by the
 29 quantity of spirituous liquors, vinous liquors, wines other than Arkansas
 30 wines, mead, or beer or malt beverages, manufactured, sold, blended,
 31 rectified, mixed, or transported in or into this state in conformity thereto,
 32 and any other license tax imposed by law heretofore passed is declared to be
 33 a privilege tax or permit fee.

34
 35 SECTION 10. Arkansas Code § 3-7-104, concerning rate of excise tax
 36 related to certain alcoholic beverages, is amended to add an additional

1 subdivision to read as follows:

2 (8) Mead, as defined in § 3-5-1702, shall be taxed in the same
 3 manner as vinous liquor or light wine as provided in this section, depending
 4 on the alcohol content.

5
 6 SECTION 11. Arkansas Code § 3-7-111, concerning additional taxes on
 7 alcoholic beverages, is amended to add an additional subsection to read as
 8 follows:

9 (c) Mead, as defined in § 3-5-1702, shall be taxed in the same manner
 10 as wine.

11
 12 SECTION 12. Arkansas Code § 3-7-201(a)(1), concerning the special
 13 alcoholic beverage excise tax imposed on all retail receipts or proceeds, is
 14 amended to read as follows:

15 (a)(1)(A) There is levied a special alcoholic beverage excise
 16 tax of three percent (3%) upon all retail receipts or proceeds derived from
 17 the sale of liquor, cordials, liqueurs, specialties, ~~and~~ sparkling and still
 18 wines, and mead.

19 (B) The tax ~~shall be and~~ is in addition to all other taxes
 20 now imposed and cumulative to the Arkansas Gross Receipts Act of 1941, § 26-
 21 52-101 et seq.

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 24 **APPROVED: 3/4/21**
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