

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

State of Arkansas

As Engrossed: H3/12/09

87th General Assembly

A Bill

Regular Session, 2009

HOUSE BILL 2252

By: Representative King

For An Act To Be Entitled

AN ACT TO IMPROVE SALES OPPORTUNITIES FOR
ARKANSAS SMALL FARM WINERIES; AND FOR OTHER
PURPOSES

Subtitle

AN ACT TO IMPROVE SALES OPPORTUNITIES
FOR ARKANSAS SMALL FARM WINERIES.

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

SECTION 1. Arkansas Code § 3-5-1602(c)(1), concerning functions authorized under the licensure of small farm wineries, is amended to read as follows:

(c)(1) A small farm winery license authorizes the licensee to perform the following functions without the small farm winery having to obtain a separate license:

(A) Manufacture wines and bottle wines produced by that small farm winery;

(B) Bottle wines produced by another small farm winery;

(C) Serve on the premises, ~~or~~ at small farm winery off-premises retail sites, or small farm winery retail sites complimentary samples of wine produced by the small farm winery or another licensed small farm winery, if the small farm winery, ~~or~~ its off-premises retail site, or its retail site is located in a wet territory;

(D) Sell at retail by the drink or by the package wine produced on the premises of the small farm winery or produced by another small farm winery, if all sales occur in a wet territory and at:



1 (i) The small farm winery off-premises retail sites;
2 or

3 (ii) Fairs and food and wine festivals, with the
4 permission and the consent of the management of the events. A sales and use
5 tax permit is also required;

6 (E)(i) Sell and transport wine produced on the premises of
7 the small farm winery or of another small farm winery to wholesale and retail
8 license holders and small farm winery license holders.

9 (ii) To exercise the privileges of ~~this~~ subdivision
10 (c)(1)(E)(i) of this section, the small farm winery ~~must~~ shall obtain a wine
11 wholesale permit or sell to a licensed small farm winery wholesaler; and

12 (F) Sell for consumption on the premises wine produced by
13 the small farm winery or another small farm winery and purchased by the drink
14 or by the package at the licensed premises, if the small farm winery is
15 located in a wet territory.

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17 SECTION 2. Arkansas Code § 3-5-1605(a), as amended by Act 294 of 2009,
18 concerning license fees for small farm wineries, is amended to read as
19 follows:

20 (a) For the privilege of doing business respectively, as indicated in
21 this section, there ~~shall be~~ is imposed, assessed, levied, and collected each
22 fiscal year beginning July 1, the following license fees:

23 (1)(A) For the privilege of manufacturing small farm wine in
24 quantities not to exceed ~~five thousand gallons (5,000 gals.)~~ twenty-five
25 thousand gallons (25,000 gals.), a license fee of two hundred dollars (\$200)
26 shall be paid by the manufacturer.

27 (B) However, a person in this state may manufacture wine
28 from fruits or vegetables in quantities not to exceed two hundred gallons
29 (200 gals.) for consumption in the person's home by the person and the
30 person's guests but not for sale free from the license fee under subdivision
31 (a)(1)(A) of this section;

32 (2) For the privilege of manufacturing small farm wine in excess
33 of five thousand gallons (5,000 gals.), a license fee of four hundred dollars
34 (\$400) shall be paid by the manufacturer;

35 (3)(A) For the privilege of selling small farm winery wine
36 except by a manufacturer for consumption at the manufacturer's winery, there

1 shall be paid for each retail dealer's license a fee of one hundred dollars
2 (\$100).

3 (B) This subdivision (a)(3) applies to all retail licenses
4 for grocery stores and convenience stores that sell malt beverages and wine.

5 (C) A licensed retail liquor dealer or a licensed package
6 store may sell small farm wines without obtaining a retail dealer's license
7 under subdivision (a)(3)(A) of this section;

8 (4)(A) For the privilege of selling small farm wine except by a
9 manufacturer at the manufacturer's winery, there shall be paid for each
10 wholesale dealer's license a fee of one hundred dollars (\$100).

11 (B) This subdivision (a)(4) applies to all alcoholic
12 beverage wholesale distributors;

13 (5) For the privilege of selling small farm winery wine at the
14 small farm winery or in this state, there is imposed, assessed, and levied a
15 tax of seventy-five cents (75¢) per gallon upon all the small farm winery
16 wine manufactured and sold in this state under this subchapter; and

17 (6) For the privilege of selling small farm winery light wine at
18 the small farm winery or in this state, there is imposed, assessed, and
19 levied a tax of twenty-five cents (25¢) per gallon upon all light wine
20 manufactured and sold in this state under the provisions of this subchapter.

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22 /s/ King
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