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House Bill 1061 (RULES COMMITTEE SUBSTITUTE)

By: Representatives Stephens of the 164<sup>th</sup>, Ehrhart of the 36<sup>th</sup>, Amerson of the 9<sup>th</sup>, Williams of the 4<sup>th</sup>, Tumlin of the 38<sup>th</sup>, and others

## A BILL TO BE ENTITLED AN ACT

- 1 To amend Chapter 6 of Title 3 of the Official Code of Georgia Annotated, relating to wine,
- 2 so as to amend certain provisions relating to special order shipping licenses; to define a term;
- 3 to limit the number of cases of wine shipped to any one consumer; to provide for certain
- 4 taxes to be paid by the shipper of the wine; to provide for related matters; to repeal
- 5 conflicting laws; and for other purposes.

## 6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 SECTION 1.

- 8 Chapter 6 of Title 3 of the Official Code of Georgia Annotated, relating to wine, is amended
- 9 by revising Code Section 3-6-31, relating to special order shipping license requirements and
- 10 regulations, as follows:
- 11 "3-6-31.
- 12 (a) For purposes of this Code section, the term 'winery' means any maker or producer of
- wine whether in this state or in any other state, who holds a valid federal basic wine
- 14 <u>manufacturing permit.</u>
- 15 (a)(b) Notwithstanding any other provision of this title to the contrary, a shipper, without
- 16 complying with the provisions of Code Section 3-6-22, any shipper which is also a winery
- may be authorized to make direct shipments of wine to consumers in this state, without
- 18 <u>complying with the provisions of Code Section 3-6-22,</u> upon obtaining a special order
- shipping license from the commissioner <u>pursuant to this Code section</u>.
- 20 (b)(c) A special order shipping license shall only be issued to a person who holds a valid
- 21 federal basic wine manufacturing permit and who is not otherwise licensed under this title,
- 22 <u>winery</u> upon compliance with all applicable provisions of this title and the regulations
- promulgated pursuant to this title, and upon payment of the license fee designated for retail
- dealers in Code Section 3-6-20.

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1  $\frac{\text{(c)}(d)}{d}$  A special order shipping license shall entitle the <u>shipper winery</u> to ship wine upon

- 2 order directly to consumers for personal or household use in this state without designating
- 3 wholesalers as required by Code Section 3-6-22, provided that:
- 4 (1) The holder of a special order shipping license shall only ship brands of wine for
- 5 which he or she the holder has submitted labels to the commissioner;
- 6 (2) No holder of a special order shipping license shall be permitted to ship in excess of
- 7 50 12 standard cases of wine of one brand or a combination of brands into this state or
- 8 in excess of five cases of wine of one brand or a combination of brands to any one
- 9 consumer or address per calendar year;
- 10 (3) Before accepting an order from a consumer in this state, the holder of a special order
- shipping license shall require that the person placing the order state affirmatively that he
- or she is of the age required by Code Section 3-3-23 and shall verify the age of such
- person placing the order either by the physical examination of an approved government
- 14 <u>issued form of identification or by utilizing an Internet based age and identification</u>
- 15 <u>service</u>;
- 16 (4) No holder of a special order shipping license shall accept any order for any wine that
- is otherwise registered and designated pursuant to this title or from a person who is
- 18 licensed under A special order shipping license shall not authorize the shipment of any
- wine to any premises licensed to sell alcoholic beverages pursuant to this title; and
- 20 (5) Every shipment of wine by the holder of a special order shipping license shall be
- clearly marked 'Alcoholic Beverages, Adult Signature Required,' and the carrier
- delivering such shipment shall obtain be responsible for obtaining the signature of an
- adult who is at least 21 years of age as a condition of delivery.
- 24 (d)(e) The failure to comply strictly with the requirements of this Code section, Code
- Section 3-3-23, and all applicable provisions of this title and regulations promulgated
- 26 pursuant to this title shall be grounds for the revocation of a special order shipping license
- or other disciplinary action by the commissioner. Upon revocation of a special order
- shipping license for shipment of wine to a person not of age as required by Code Section
- 3-3-23, such person winery shall not be issued any special order shipping license pursuant
- 30 to this Code section for a period of five years from the date of revocation.
- 31 (e)(f) The holder of a special order shipping license shall collect all excise taxes imposed
- 32 by Code Section 3-6-50, shall remit such taxes in the same manner as licensed wine
- wholesalers, and shall accompany such remittance with such reports, documentation, and
- other information as may be required by the commissioner. <u>In addition, an applicant for</u>
- and a holder of a special order shipping license, as a condition of receiving and holding a
- 36 <u>valid license</u>, shall:

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1 (1) Agree to collect and to pay applicable Georgia state and local sales tax on each sale

- 2 <u>shipped to a consumer in Georgia;</u>
- 3 (2) Accompany each remittance with such sales tax reports, documentation, and other
- 4 <u>information as may be required by the commissioner; and</u>
- 5 (3) Consent to enforcement of the provisions of this Code section by the department and
- 6 to the jurisdiction of the courts of Georgia for the collection of such taxes or other
- 7 moneys owing, including interest and penalties.
- 8  $\frac{f}{g}$  The commissioner may promulgate such rules and regulations as are necessary and
- 9 appropriate for the enforcement of this Code section."

SECTION 2.

11 All laws and parts of laws in conflict with this Act are repealed.