

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL**No. 790** Session of
2011

INTRODUCED BY EARLL, PIPPY, BAKER, VANCE, WAUGH, ERICKSON,
MENSCH, PICCOLA, PILEGGI AND FARNESE, MARCH 8, 2011

AS AMENDED ON THIRD CONSIDERATION, MARCH 27, 2012

AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as
2 reenacted, "An act relating to alcoholic liquors, alcohol and
3 malt and brewed beverages; amending, revising, consolidating
4 and changing the laws relating thereto; regulating and
5 restricting the manufacture, purchase, sale, possession,
6 consumption, importation, transportation, furnishing, holding
7 in bond, holding in storage, traffic in and use of alcoholic
8 liquors, alcohol and malt and brewed beverages and the
9 persons engaged or employed therein; defining the powers and
10 duties of the Pennsylvania Liquor Control Board; providing
11 for the establishment and operation of State liquor stores,
12 for the payment of certain license fees to the respective
13 municipalities and townships, for the abatement of certain
14 nuisances and, in certain cases, for search and seizure
15 without warrant; prescribing penalties and forfeitures;
16 providing for local option, and repealing existing laws,"
17 further providing for shipment of wine into Commonwealth.

18 The General Assembly of the Commonwealth of Pennsylvania
19 hereby enacts as follows:

20 Section 1. Section 488 of the act of April 12, 1951 (P.L.90,
21 No.21), known as the Liquor Code, reenacted and amended June 29,
22 1987 (P.L.32, No.14) and added February 21, 2002 (P.L.103,
23 No.10), is amended to read:

24 Section 488. Shipment of Wine [into Commonwealth].--(a) The
25 shipment of wine [from out-of-State] to residents of this

1 Commonwealth [is prohibited, except as otherwise provided for
2 in] shall be governed by this section.

3 (b) Notwithstanding any other provision of this act or law
4 to the contrary, a person licensed by the board or another state
5 as a producer[, supplier, importer, wholesaler, distributor or ←
6 retailer] of wine and who obtains a direct wine shipper license ←
7 as provided for in this section may ship up to [nine] eighteen
8 liters per month of any wine [not included on the list provided
9 for in subsection (c)] on the Internet, telephone or mail order
10 of any resident of this Commonwealth who is at least twenty-one
11 (21) years of age for such resident's personal use and not for
12 resale.

13 (c) Each month, the board shall publish on the Internet a
14 list of all classes, varieties and brands of wine available for
15 sale in the Pennsylvania Liquor Stores. [A person holding a
16 direct shipper license may ship only those classes, varieties
17 and brands of wine not included on the list at the time an
18 Internet order is placed.]

19 (c.1) Prior to issuing a direct wine shipper license, the
20 board shall require the person seeking the license to:

21 (1) File an application with the board.

22 (2) Pay a one hundred dollar (\$100) registration fee.

23 (3) Provide to the board a true copy of its current
24 alcoholic beverage license issued by the board or another state,
25 if applicable.

26 (4) Provide the board with any other information the board
27 deems necessary and appropriate.

28 (5) PROVIDE DOCUMENTATION WHICH EVIDENCES THAT IT HAS ←
29 OBTAINED A SALES TAX LICENSE FROM THE DEPARTMENT OF REVENUE.

30 (d) [An out-of-State] A direct wine shipper shall:

1 (1) Not ship more than [nine] eighteen liters per month on
2 the Internet, telephone or mail order of any person in this
3 Commonwealth.

4 (2) Report to the board each year the total of wine shipped
5 [into] to residents of this Commonwealth in the preceding
6 calendar year.

7 (3) Permit the board or the Secretary of Revenue, or their
8 designated representatives, to perform an audit of the [out-of-
9 State] direct wine shipper's records upon request.

10 (4) Be deemed to have submitted to the jurisdiction of the
11 board, any other State agency and the courts of this
12 Commonwealth for purposes of enforcement of this section and any
13 related laws, rules or regulations.

14 (5) Require proof of age of the recipient, in a manner or
15 format approved by the board before any wine is shipped to a
16 resident of this Commonwealth.

17 (6) Ensure that all boxes or exterior containers of wine
18 shipped directly to a resident in this Commonwealth are
19 conspicuously labeled with the words "CONTAINS ALCOHOL:
20 SIGNATURE OF PERSON 21 YEARS OF AGE OR OLDER REQUIRED FOR
21 DELIVERY."

22 (7) Pay to the Department of Revenue all taxes due on sales
23 to residents of this Commonwealth. The amount of such taxes
24 shall be calculated as if the sales were in this Commonwealth at
25 the locations where delivery is made.

26 (8) Annually renew its license by paying a renewal fee
27 established by the board.

28 (e) A direct shipper may ship wine on the Internet or mail
29 order of a resident into this Commonwealth provided that the
30 wine [is shipped to a Pennsylvania Liquor Store selected by the

1 resident. The wine will be subject to taxes in the same manner
2 as wine sold directly by the board. The wine will not be
3 released by the State store until all moneys due, including all
4 taxes and fees, have been paid by the resident.] will be subject
5 to all taxes due on sales to residents of this Commonwealth with
6 the amount of such taxes to be calculated as if the sale were in
7 this Commonwealth at the location where delivery is made.

8 (f) [A person shall sign an affidavit provided by the
9 Pennsylvania Liquor Store where the wine was delivered to
10 stating that the wine will only be used for the person's
11 personal use.] Any person who resells wine obtained under this
12 section commits a misdemeanor of the second degree.

13 (g) The board may promulgate such rules and regulations as
14 are necessary to implement and enforce the provisions of this
15 section. [The board may charge the resident a fee to cover the
16 cost associated with processing the Internet order.]

17 (h) The board shall submit [monthly] annual reports to the
18 Appropriations Committee and the Law and Justice Committee of
19 the Senate and to the Appropriations Committee and the Liquor
20 Control Committee of the House of Representatives summarizing
21 the number of direct shipper licenses issued by the board[,] and
22 the quantity of wine sold by direct wine shippers pursuant to
23 this section [and the total dollar value of sales under this
24 section].

25 (i) The term "wine" as used in this section shall mean
26 liquor which is fermented from grapes and other fruits, having
27 alcoholic content of twenty-four per centum or less. The term
28 "wine" shall not include malt or brewed beverages nor shall wine
29 include any products containing alcohol derived from malt,
30 grain, cereal, molasses or cactus.

1 (j) The term "direct wine shipper" as used in this section
2 shall mean a ~~person~~ WINE PRODUCER who holds a direct wine ←
3 shipper license as provided in this section and includes a
4 limited winery.

5 Section 2. This act shall take effect in 60 days.