

WAC 314-24-220 Licensing and operation of bonded wine ware-

houses. (1) There shall be a license for bonded wine warehouses pursuant to RCW 66.24.185, and this type of license shall be known as a bonded wine warehouse licensee. Applications for a bonded wine warehouse license shall be on forms prescribed by the board and shall be accompanied by such information as the board may request including, but not limited to, a written description of the proposed method of shipping, receiving, inventory control, and security.

(2) The bonded wine warehouse shall be physically separated from any other use in such manner as prescribed by the board, and as a condition of license approval, the applicant must furnish the board appropriate documentation indicating the location of the bonded wine warehouse is properly zoned for the intended use.

(3) A bonded wine warehouse may provide storage for a domestic winery, for another bonded wine warehouse, and for a certificate of approval holder. The Washington wine tax provided in RCW 66.24.210 shall not be due until the wine is removed from bond and shipped to a licensed Washington wine distributor.

(4) Every bonded wine warehouse licensee shall have on file and available for inspection records of all wine transactions, including receipts and shipments of wine and the total inventory on hand at the bonded warehouse for a period of three years.

(5) Removals of wine from a bonded wine warehouse may be made only for shipment:

- (a) To a licensed independent Washington wine distributor;
- (b) To another licensed bonded wine warehouse;
- (c) Out-of-state;
- (d) For return to the producing winery;
- (e) To a producing domestic winery licensee; or
- (f) Directly to a consumer.

(i) For purposes of this section, "producing domestic winery licensee" means the licensed Washington winery that produced the wine and its licensed agents.

(ii) For purposes of this section, a "licensed agent" shall be an accredited representative, licensed pursuant to chapter 314-44 WAC, of only one producing domestic winery at the time of removal by such agent.

(6) A producing domestic winery licensee may take possession of wine from a bonded wine warehouse, after accepting an order therefor, and deliver the wine to a purchasing retail or special occasion licensee only by transporting the wine directly from the bonded wine warehouse to the licensed premises of the purchasing retail or special occasion licensee; provided, however, that in no event may a producing domestic winery licensee remove, in the aggregate, during any one calendar year, more than two thousand cases of wine for delivery directly to retail and special occasion licensees. Producing domestic winery licensees shall maintain records of removals and deliveries of wine from bonded wine warehouses and shall file with the liquor and cannabis board annually reports of the quantity of wine removed and delivered directly to retail and special occasion licensees. Invoicing shall be by the titleholder. The titleholder shall report shipments to, and returns from the bonded wine warehouse and sales to Washington wine distributors, and/or the liquor and cannabis board on the twentieth day of the month following the month of shipment and/or sale on forms furnished by, or acceptable to, the board.

(7) At no time shall title to wine stored at the bonded wine warehouse pass to the operator of the bonded wine warehouse.

(8) "Storage and handling of bottled wine" as used in RCW 66.24.185(1) shall mean the storage and handling of wine packaged for sale at retail (i.e., other than in bulk form).

(9) Any winery contracting with a bonded wine warehouse for direct shipments to consumers must accept and process the orders and payments. This includes, but is not limited to, in-person, mail, telephone, and internet orders and payments. Only a winery licensee or a winery licensee's employees may accept and process such orders and payments. A contractor may not do so on behalf of a winery licensee.

(10) A bonded wine warehouse may not accept orders and payments from consumers for direct shipments.

[Statutory Authority: RCW 66.24.170, 66.24.640, 66.24.695, and 66.08.030. WSR 18-02-006, § 314-24-220, filed 12/20/17, effective 1/20/18. Statutory Authority: RCW 66.08.030. WSR 09-02-010, § 314-24-220, filed 12/29/08, effective 1/29/09. Statutory Authority: RCW 66.08.030, 2004 c 160. WSR 04-24-097, § 314-24-220, filed 12/1/04, effective 1/1/05. Statutory Authority: RCW 66.08.030, 15.88.030, 19.126.020, 66.04.010, 66.08.180, 66.16.100, 66.20.010, 66.20.300, 66.20.310, 66.24.150, 66.24.170, 66.24.185, 66.24.200, 66.24.206, 66.24.210, 66.24.230, 66.24.240, 66.24.244, 66.24.250, 66.24.375, 66.24.380, 66.24.395, 66.24.400, 66.24.420, 66.24.425, 66.24.440, 66.24.450, 66.24.455, 66.24.495, 66.24.540, 66.28.010, 66.28.040, 66.28.050, 66.28.170, 66.28.180, 66.28.190, 66.28.200, 66.28.310, 66.44.190, 66.44.310, 66.98.060 and 82.08.150. WSR 98-18-097, § 314-24-220, filed 9/2/98, effective 10/3/98. Statutory Authority: RCW 66.08.030 and 66.24.185. WSR 96-11-076, § 314-24-220, filed 5/13/96, effective 6/13/96; WSR 85-24-042 (Order 170, Resolution No. 179), § 314-24-220, filed 11/27/85. Statutory Authority: RCW 66.24.185, 66.08.030 and 66.98.070. WSR 85-10-029 (Order 158, Resolution No. 167), § 314-24-220, filed 4/24/85.]