SENATE BILL 5007

State of Washington 68th Legislature 2023 Regular Session

By Senators Short, Dhingra, Kuderer, Muzzall, Torres, and L. Wilson Prefiled 12/05/22. Read first time 01/09/23. Referred to Committee on Labor & Commerce.

- 1 AN ACT Relating to creating a wine retailer shipper's permit;
- 2 amending RCW 66.20.365; and adding a new section to chapter 66.20
- 3 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 66.20.365 and 2006 c 49 s 2 are each amended to read 6 as follows:
- 7 <u>(1)</u> Before wine may be shipped by a domestic winery or an out-of-state winery to a person who is a resident of Washington, the winery must:
- 10 (((1))) <u>(a)</u> Obtain a wine shipper's permit under procedures 11 prescribed by the board by rule and pay a fee established by the 12 board, if the winery is located outside the state; or
- 13 $((\frac{(2)}{(2)}))$ Be licensed as a domestic winery by the board and 14 have paid the annual license fee.
- 15 (2) Before wine may be shipped by a retailer authorized to sell 16 wine at retail in this state or any other state, the retailer must:
- 17 <u>(a) Be licensed to sell wine at retail in this state; or</u>
- 18 (b) If not licensed by this state, obtain a wine retailer
- 19 shipper's permit under procedures prescribed by the board by rule and
- 20 pay an annual fee of \$100 to the board.

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- NEW SECTION. Sec. 2. A new section is added to chapter 66.20 RCW to read as follows:
- 3 (1) An applicant for a wine retailer shipper's permit under RCW 66.20.365 must:

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- (a) Annually provide the board a copy of its valid license to sell wine at retail issued by that state; and
 - (b) Register with the department of revenue under RCW 82.32.030.
- 8 (2) Holders of a wine retailer shipper's permit and retailers 9 licensed to sell wine at retail in this state must:
 - (a) Pay the tax under RCW 66.24.210 for sales of wine to Washington state residents. For the purposes of this section, shipping wine sold at retail to a Washington state resident constitutes a sale in Washington state;
 - (b) Monthly collect and remit to the department of revenue all applicable state and local sales and use taxes imposed by or under the authority of chapters 82.08, 82.12, and 82.14 RCW on all sales of wine shipped to buyers in this state;
 - (c) Not ship to an address in any area in Washington state that prohibits the sale of alcohol;
 - (d) Label the outside of all shipping boxes of wine shipped under the permit as follows, "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY";
- (e) Annually report to the board the total amount of wine shipped in Washington under its permit during the preceding calendar year;
 - (f) Allow the board to audit the permit holder's shipping records;
 - (g) Consent to the jurisdiction of the board or any other state agency and to the Washington state courts concerning enforcement of this section; and
 - (h) Upon delivery of a wine shipment authorized under this section, require an in-person signature from a person with valid identification showing the person is 21 years of age or older.
- 33 (3) The board and department of revenue may adopt rules to 34 implement this section.

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