

1 Sec. X. 7 V.S.A. § 422 is amended to read:

2 § 422. TAX ON SPIRITS AND FORTIFIED WINES

3 (a) A tax of five percent is assessed on the gross revenue from the sale of  
4 spirits and fortified wines in the State of Vermont by the Board of Liquor and  
5 Lottery or the retail sale of spirits and fortified wines in Vermont by a  
6 manufacturer or rectifier of spirits or fortified wines, in accordance with the  
7 provisions of this title.

8 \* \* \*

9 (c) In addition to the tax assessed pursuant to subsection (a) of this section,  
10 a tax of X percent is assessed on the gross revenue from the sale of spirits and  
11 fortified wines that are sold directly to consumers by the holder of a consumer  
12 shipping license pursuant to section 277 of this title.

13 Sec. XY. 7 V.S.A. § 277 is amended to read:

14 § 277. ~~MALT AND VINOUS~~ ALCOHOLIC BEVERAGE CONSUMER  
15 SHIPPING LICENSE

16 (a)(1) A manufacturer or rectifier of malt ~~or beverages,~~ vinous beverages,  
17 fortified wines, or spirits that is licensed in Vermont may be granted an in-state  
18 consumer shipping license by filing with the Division of Liquor Control an  
19 application in a form required by the Commissioner accompanied by a copy of  
20 the applicant's current Vermont manufacturer's license and the fee provided in  
21 section 204 of this title.

1           (2) An in-state consumer shipping license may be renewed annually by  
2 submitting to the Division the fee provided in section 204 of this title  
3 accompanied by a copy of the licensee’s current Vermont manufacturer’s  
4 license.

5           (b)(1) A manufacturer or rectifier of malt ~~or beverages,~~ vinous beverages,  
6 fortified wines, or spirits that is licensed in another state that operates a  
7 brewery, or winery, or distillery in the United States and holds valid state and  
8 federal permits and licenses may be granted an out-of-state consumer shipping  
9 license by filing with the Division of Liquor Control an application in a form  
10 required by the Commissioner accompanied by copies of the applicant’s  
11 current out-of-state manufacturer’s license and the fee provided in section 204  
12 of this title.

13           (2) An out-of-state consumer shipping license may be renewed annually  
14 by submitting to the Division the fee provided in section 204 of this title  
15 accompanied by the licensee’s current out-of-state manufacturer’s license.

16           (3) As used in this section, “out-of-state” means any state other than  
17 Vermont, any territory or possession of the United States, ~~and does not include~~  
18 ~~a foreign country~~ or a foreign country.

19           (c)(1) A consumer shipping license granted pursuant to this section shall  
20 permit the licensee to ship malt ~~or beverages,~~ vinous beverages, fortified

1 wines, or spirits produced by the licensee to private residents for personal use  
2 and not for resale.

3 (2) ~~A~~ In any calendar year, a licensee shall not ship to any one Vermont  
4 resident more than:

5 (A) 12 cases of malt beverages containing no more than 36 gallons of  
6 malt beverages; ~~or no more than~~

7 (B) 12 cases of vinous beverages containing no more than 29 gallons  
8 of vinous beverages;

9 (C) 12 cases of fortified wines containing no more than 29 gallons of  
10 fortified wines; or

11 (D) ~~X~~ cases of spirits containing not more than 3 gallons of spirits to  
12 any one Vermont resident in any calendar year.

13 (3) The beverages shall be shipped by common carrier certified by the  
14 Division pursuant to section 280 of this subchapter. The common carrier shall  
15 comply with all the following:

16 (A) deliver beverages pursuant to an invoice that includes the name of  
17 the licensee and the name and address of the purchaser;

18 (B) on delivery, require a valid authorized form of identification, as  
19 defined in section 589 of this title, from a recipient who appears to be under 30  
20 years of age; and

1 (C) require the recipient to sign an electronic or paper form or other  
2 acknowledgment of receipt.

3 (4) A licensed manufacturer, rectifier, or importer of spirits or fortified  
4 wines must register each product intended for sale within the State and affirm  
5 that it is the brand owner for each product registered. The manufacturer,  
6 rectifier, or importer must submit the registration to the Division on a form  
7 prescribed by the Division. The individual product registrations shall remain  
8 valid so long as the shipping license is valid. In the event of a change of  
9 ownership, the new owner shall renew the registration with the Division.

10 \* \* \*

11 Sec. XYZ. 7 V.S.A. § 279 is amended to read:

12 § 279. CONSUMER AND RETAIL SHIPPING LICENSES; GENERAL  
13 REQUIREMENTS

14 A holder of a shipping license granted pursuant to section 277 or 278 of this  
15 subchapter shall comply with all of the following:

16 (1) Ensure that all containers of alcoholic beverages are shipped in a  
17 container that is clearly labeled: “contains alcohol; signature of individual 21  
18 years of age or older required for delivery.”

19 (2) Not ship to any address in a municipality that the Division of Liquor  
20 Control identifies as having voted to be “dry.”

1           (3) Retain a copy of each record of sale for a minimum of five years  
2 from the date of shipping.

3           (4) Report at least twice per year to the Division if a holder of a  
4 consumer shipping license that ships malt or vinous beverages, quarterly if a  
5 holder of a consumer shipping license that ships fortified wines or spirits, and  
6 once per year if a holder of a retail shipping license in a manner and form  
7 required by the Commissioner all the following information:

8                   (A) the total amount of malt ~~or~~ beverages, vinous beverages, fortified  
9 wines, or spirits shipped into or within the State during the preceding six  
10 months if a holder of a consumer shipping license or during the preceding 12  
11 months if a holder of a retail shipping license;

12                   (B) the names and addresses of the purchasers to whom the beverages  
13 were shipped; and

14                   (C) the date purchased, the quantity and value of each shipment, and,  
15 if applicable, the name of the common carrier used to make each delivery.

16           (5)(A) Pay to the Commissioner of Taxes:

17                   (i) if shipping malt or vinous beverages, the tax required pursuant  
18 to section 421 of this title; ~~on the malt or vinous beverages shipped pursuant to~~  
19 ~~this subchapter and comply with the provisions of~~

20                   (ii) if shipping fortified wines or spirits, the tax required pursuant  
21 to section 422 of this title; and

1                    (iii) any tax required pursuant to 32 V.S.A. chapter 233, 24 V.S.A.  
2                    § 138, and any other legally authorized local sales taxes.

3                    (B) Delivery in this State shall be deemed to constitute a sale in this  
4                    State at the place of delivery and shall be subject to all appropriate taxes levied  
5                    by the State of Vermont.

6                    (6) Permit the State Treasurer, the Division of Liquor Control, and the  
7                    Department of Taxes, separately or jointly, upon request, to perform an audit  
8                    of its records.

9                    (7) If an out-of-state license holder, be deemed to have consented to the  
10                  jurisdiction of the Board of Liquor and Lottery, Division of Liquor Control, or  
11                  any other State agency and the Vermont State courts concerning enforcement  
12                  of this or other applicable laws and rules.

13                  (8) Not have any direct or indirect financial interest in a Vermont  
14                  wholesale dealer or retail dealer, including a first-, second-, or third-class  
15                  licensee.

16                  (9) Comply with all applicable laws and Board of Liquor and Lottery  
17                  rules.

18                  (10) Comply with the beverage container deposit redemption system  
19                  pursuant to 10 V.S.A. chapter 53.

1           (11) A holder of a shipping license that ships fortified wines or spirits  
2           shall sell the fortified wines or spirits at the prevailing retail price set by the  
3           Department.

4           Sec. YYZ. 7 V.S.A. § 280 is amended to read:

5           § 280. COMMON CARRIERS; REQUIREMENTS

6           (a) A common carrier shall not deliver malt beverages, ~~or~~ vinous  
7           beverages, fortified wines, or spirits pursuant to this chapter until it has  
8           complied with the training provisions in section 213 of this title and been  
9           certified by the Division of Liquor Control.

10          (b) No employee of a certified common carrier may deliver malt beverages,  
11          ~~or~~ vinous beverages, fortified wines, or spirits until that employee completes  
12          the training required pursuant to subsection 213(c) of this title.

13          (c) A certified common carrier shall deliver only malt beverages, ~~or~~ vinous  
14          beverages, fortified wines, or spirits that have been shipped by the holder of a  
15          license issued under section 277 or 278 of this subchapter or vinous beverages  
16          that have been shipped by the holder of a vinous beverage storage license  
17          issued under section 283 of this subchapter.