



INDUSTRY ADVISORY
OFFICE OF THE CHIEF COUNSEL

Direct Wine Shipments
New York State Reciprocity Determination
December 31, 2005

It has come to the attention of the Department that the New York legislature has enacted new §79-c to the New York Alcoholic Beverage Control Law ("ABCL") governing the direct shipment of wine from wineries outside the state to unlicensed New York residents. The New York State Liquor Authority ("SLA") advisory on this matter dated August 5, 2005, explains the requirements and procedures required of a California winery (or winery from another state) to permit them to ship wine to any unlicensed adult individual in New York.

According to the SLA, §79-c took effect August 11, 2005. The purpose of this Bulletin is to provide assistance to licensed California wineries wishing to obtain a New York Direct Shipper's License pursuant to §79-c.

A licensed California winery applying to obtain the Direct Shipper's License must "submit in support of the license application a ruling from the applicant's state that a new York State wine manufacturer may directly sell and ship (or may apply for a license to directly sell and ship) wine produced by such New York State wine manufacturer to a resident customer of the applicant's state for person use and not for resale."

California Business and Professions Code ("BPC") §23661.3 in effect January 1, 2006, establishes a direct wine shipper permit authorizing a winery in any state (including New York) to ship, for personal use and not for resale, wine to any adult resident in this state. The shipping container of any wine sent into or out of this state under this section shall be clearly labeled to indicate that the package cannot be delivered to a minor or to an intoxicated person. The permit holder is required to file annual reports and pay California excise and sales taxes for all shipments and sales to California consumers. The new statute does not impose any specific quantity restrictions on shipments to California consumers so long as the shipments are for personal use and not for resale.

The Department has reviewed the New York and California statutes and determined that they are reciprocal. Consequently, New York wineries may ship wine to adult California residents upon obtaining a permit pursuant to BPC §23661.3. A copy of this Advisory may be submitted as the California ruling to the SLA by any California winery seeking to obtain a Direct Shipper's License pursuant to §79-c.

Anyone with questions about this advisory should direct them to:

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