

HOUSE BILL NO. 505

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE KOTT

Introduced: 2/16/04

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to importing beer or wine for personal consumption and a liquor**
2 **license for that purpose, and to taxes on beer or wine imported for personal**
3 **consumption."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 04.11.010(a) is amended to read:

6 (a) Except as provided in AS 04.11.020 **and 04.11.225**, a person may not
7 manufacture, sell, offer for sale, possess for sale or barter, traffic in, **import for**
8 **personal consumption**, or barter an alcoholic beverage unless under license or permit
9 issued under this title.

10 * **Sec. 2.** AS 04.11.060 is amended to read:

11 **Sec. 04.11.060. Nonresident distiller, brewer, winery, or wholesaler.**
12 **Except as provided in (b) of this section, a** [A] distiller, brewer, winery or
13 wholesaler whose plant or principal place of business is outside the state may not sell
14 products directly to licensees in the state without

1 (1) obtaining a general wholesale license under AS 04.11.160(a) for
2 each wholesale distributing point in the state;

3 (2) appointing an agent upon whom process can be served; and

4 (3) obtaining other applicable licenses under the provisions of this title.

5 * **Sec. 3.** AS 04.11.060 is amended by adding new subsections to read:

6 (b) A brewer or winery located outside the state desiring to ship beer or wine
7 to a person licensed as a connoisseur under AS 04.11.225

8 (1) shall register with the board, on forms provided by the board; and

9 (2) may not, in a calendar year, ship more than 1,440 bottles or 60
10 cases of beer, or more than 720 bottles or 60 cases of wine.

11 (c) A person who violates this section is guilty of a class C felony but,
12 notwithstanding AS 12.55.125, is subject to only a fine of up to \$5,000. A person
13 convicted of violating this section may not receive a sentence of imprisonment.

14 * **Sec. 4.** AS 04.11.080 is amended to read:

15 **Sec. 04.11.080. Types of licenses and permits.** Licenses and permits issued
16 under this title are as follows:

17 (1) beverage dispensary license;

18 (2) duplicate beverage dispensary license for additional rooms;

19 (3) restaurant or eating place license;

20 (4) club license;

21 (5) bottling works license;

22 (6) brewery license;

23 (7) package store license;

24 (8) general wholesale license;

25 (9) wholesale malt beverage and wine license;

26 (10) distillery license;

27 (11) common carrier dispensary license;

28 (12) retail stock sale license;

29 (13) recreational site license;

30 (14) pub license;

31 (15) winery license;

- 1 (16) caterer's permit;
- 2 (17) special events permit;
- 3 (18) conditional contractor's permit;
- 4 (19) brewpub license;
- 5 (20) golf course license;
- 6 **(21) connoisseur license.**

7 * **Sec. 5.** AS 04.11 is amended by adding a new section to read:

8 **Sec. 04.11.225. Connoisseur license.** (a) A connoisseur license authorizes
9 the licensee to receive direct shipments of beer, wine, or a combination of beer and
10 wine from a brewery or winery located outside this state. A holder of a connoisseur
11 license may not

12 (1) receive more than 144 bottles or 12 cases of wine, or 288 bottles or
13 12 cases of beer from a brewery or winery located outside this state during a 12-month
14 period; or

15 (2) resell beer or wine received under this section.

16 (b) A licensee shall

17 (1) forward to the brewery or winery a distinctive address label clearly
18 identifying any package that is shipped to the licensee;

19 (2) report to the board annually, on June 30, the total amount of beer or
20 wine received by the licensee;

21 (3) annually, by June 30, pay all applicable taxes due on the beer or
22 wine to the Department of Revenue as required under AS 43.60.010.

23 (c) The biennial fee for a connoisseur license is

24 (1) \$100 to receive beer or wine; and

25 (2) \$200 to receive both beer and wine.

26 (d) If a person violates (a) of this section but has not previously violated (a) of
27 this section, the director shall send the person a certified letter ordering the person to
28 cease and desist receipt of further shipments of alcoholic beverages to this state except
29 as authorized by law. If a person violates (a) of this section and the violation is a
30 second or subsequent violation, the person is guilty of a class A misdemeanor.

31 * **Sec. 6.** AS 04.16.180(a) is amended to read:

1 (a) Except as provided in AS 04.11.015, 04.11.225, AS 04.16.025, 04.16.050,
2 04.16.051, 04.16.200 - 04.16.210, and AS 04.21.065, a person who violates a
3 provision of this title or a regulation adopted by the board is guilty, upon conviction,
4 of a class A misdemeanor. Each violation is a separate offense.

5 * **Sec. 7.** AS 43.60 is amended by adding a new section to read:

6 **Sec. 43.60.045. Connoisseur alcoholic beverage tax.** (a) A person receiving
7 alcoholic beverages under a connoisseur license issued under AS 04.11.225 is subject
8 to the tax imposed under AS 43.60.010.

9 (b) Notwithstanding AS 43.60.020, a person described under (a) of this section
10 shall annually, by June 30,

11 (1) file a statement with the department listing the total amount of beer
12 or wine received by the person; and

13 (2) pay all applicable taxes imposed under AS 43.60.010.

14 (c) Notwithstanding AS 43.60.040, a person described under (a) of this section
15 is not required to furnish a surety bond described under AS 43.60.040.