

# STATE OF COLORADO

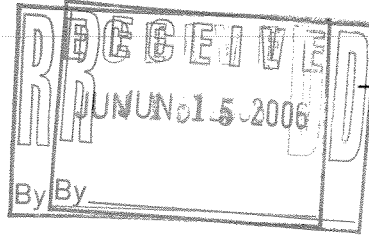
COLORADO DEPARTMENT OF REVENUE  
Liquor/Tobacco Enforcement Division

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Bill Owens  
Governor

M. Michael Cooke  
Executive Director

Matt D. Cook  
Division Director

June 7, 2006

To: Wineries Holding A Colorado Wine Shipment Permit

Re: **New Colorado Legislation Effecting Wine Shipment Permits**

From: Laura Harris, Licensing Director, Liquor Enforcement Division, Colorado Department of Revenue *LH*

Summary of New Legislation:

On July 1, 2006, Colorado House Bill 06-1120 will take effect. This legislative change affects your wine shipping privileges to Colorado consumers in the following manner:

- Section 12-47-104, C.R.S. is repealed and reenacted.
- The permit previously entitled "Wine Shipment Permit" is now entitled "Winery Direct Shipper's Permit"
- The holder of said permit may sell and deliver wine that is produced or bottled by the permit holder to a personal consumer located in Colorado (Personal Consumer is defined as an individual who is at least 21 years of age, does not hold an alcohol beverage license in Colorado, and intends to use the wine purchased for personal consumption only).
- Permit holders must operate a winery located in the United States and hold the appropriate state and federal licenses to operate said winery.
- Permit holders expressly submit to personal jurisdiction in Colorado state and federal courts for civil, criminal, and administrative proceedings. Proper venue for said proceedings is Denver, Colorado.
- Permit holder may not have a financial interest in a Colorado wholesale or retail alcohol beverage license.
- Permit holders may now solicit a sale from any Colorado consumer who provides evidence of legal age. A physical visit to the winery is no longer required. Solicitations may occur via phone, email, or other advertisement.

### New Procedures or Filing Requirements:

- NO NEW APPLICATIONS ARE REQUIRED for Wine Shipment Permit applications that were filed prior to July 1, 2006, and renewed annually.
- The annual renewal fee will remain **\$50.00 per location**.
- Packages mailed to Colorado consumers must be clearly and conspicuously labeled to show: that the package contains wine and that it may be delivered only to a person 21 or older.
  
- Wine may only be delivered to: the person who ordered the wine, or that persons pre-designated recipient, or a person 21 or older; and, who presents valid proof of identity and age and personally signs a receipt acknowledging delivery.
- Permit holders **MUST MAINTAIN RECORDS OF ALL SALES AND DELIVERIES MADE UNDER THE PERMIT IN ACCORDANCE WITH Section 12-47-701, C.R.S.**, and may be required to submit such records upon reasonable demand by the Colorado state licensing authority.
- Permit holders must now remit the Colorado Liquor Excise Tax, pursuant to 12-47-503, C.R.S.
  - ✓ The state excise tax on all vinous liquors sold to Colorado consumers is 8.33 cents per liter (7.33 cents state excise tax, plus a 1.0 cent Colorado Wine Development fee).
  - ✓ Excise taxes due are to be filed on or before the 20<sup>th</sup> day of the month following the month of sale, using form DR 0442 (e.g. if sales are made in July 2006, excise tax due must be filed on or before August 20, 2006).
  - ✓ Form DR 0442 for July 2006 will be sent to your business mailing address in the near future. Instructions for completing the form will also be provided. You will receive a pre-printed form each month thereafter.
  - ✓ **If you have questions about the tax or how to complete form DR 8442, please call the Taxpayer Services Section at (303) 205-8211 Ext. 6848.**

If you have questions about the new legislative change, please contact the Liquor Enforcement Division at (303) 205-2300.