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AN ACT

RELATING TO ALCOHOLIC BEVERAGES; CREATING A DIRECT WINE SHIPMENT PERMIT; ESTABLISHING A PERMIT FEE; PROVIDING LIMITS ON THE DIRECT SHIPMENT OF WINE; SUBJECTING PERMITTEES TO TAXATION; REQUIRING LABELING OF A SHIPPED CONTAINER OF WINE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Liquor Control Act, Section 60-6A-11.1 NMSA 1978, is enacted to read:

"60-6A-11.1. DIRECT WINE SHIPMENT PERMIT--
AUTHORIZATION--RESTRICTIONS.--

A. A licensee with a winegrower's license or a person licensed in a state other than New Mexico that holds a winery license may apply to the director for and the director may issue to the applicant a direct wine shipment permit. An application for a direct wine shipment permit shall include:

(1) contact information for the applicant in a form required by the department;

(2) an annual application fee of fifty dollars (\$50.00) if the applicant does not hold a winegrower's license;

(3) the number of the applicant's winegrower's license if the applicant is located in New Mexico or a copy of the applicant's winery license if the applicant is located in a state other than New Mexico; and

1 (4) any other information or documents
2 required by the director. Upon approval of an applicant for
3 a permit, the director shall forward to the taxation and
4 revenue department the name of each permittee and the contact
5 information for the permittee.

6 B. A direct wine shipment permit shall be valid
7 for a permit year. A permittee shall renew a direct wine
8 shipment permit annually as required by the department to
9 continue making direct shipments of wine to New Mexico
10 residents.

11 C. A permittee may ship:

12 (1) not more than two nine-liter cases of
13 wine monthly to a New Mexico resident who is twenty-one years
14 of age or older for the recipient's personal consumption or
15 use, but not for resale; and

16 (2) wine directly to a New Mexico resident
17 only in containers that are conspicuously labeled with the
18 words:

19 "CONTAINS ALCOHOL
20 SIGNATURE OF PERSON 21 YEARS OR OLDER REQUIRED
21 FOR DELIVERY".

22 D. A permittee shall:

23 (1) register with the taxation and revenue
24 department for the payment of liquor excise tax and gross
25 receipts taxes due on the sales of wine pursuant to the

1 permittee's activities in New Mexico;

2 (2) submit to the jurisdiction of New Mexico
3 courts to resolve legal actions that arise from the shipping
4 by the permittee of wine into New Mexico to New Mexico
5 residents;

6 (3) monthly, by the twenty-fifth day of each
7 month following the month in which the permittee was issued a
8 direct wine shipment permit, pay to the taxation and revenue
9 department the liquor excise tax due and the gross receipts
10 tax due; and

11 (4) submit to an audit by an agent of the
12 taxation and revenue department of the permittee's records of
13 the wine shipped pursuant to this section to New Mexico
14 residents upon notice and during usual business hours.

15 E. As used in this section:

16 (1) "permit year" means the period between
17 July 1 and June 30 of a year; and

18 (2) "permittee" means a person that is the
19 holder of a direct wine shipment permit."

20 SECTION 2. Section 60-7A-3 NMSA 1978 (being Laws 1981,
21 Chapter 39, Section 49, as amended) is amended to read:

22 "60-7A-3. TRANSPORTATION INTO STATE WITHOUT PERMIT--
23 EXPORTATION OF ALCOHOLIC BEVERAGES WITHOUT PERMIT--
24 IMPORTATION FOR PRIVATE USE--RECIPROCAL SHIPPING--WHEN
25 UNLAWFUL.--

1 A. Except as provided in Subsections E and F of
2 this section, it is a violation of the Liquor Control Act for
3 a registered common carrier to knowingly deliver a shipment
4 of alcoholic beverages from another state to a person in this
5 state without receiving at the time of delivery a permit
6 issued by the department covering the quantity and class of
7 alcoholic beverages to be delivered and requiring the
8 shipment be transported from the shipper designated in the
9 permit to the designated consignee and from the designated
10 point of origin to the destination designated in the permit.

11 B. Except as provided in Subsections D through F
12 of this section, it is a violation of the Liquor Control Act
13 for a person other than a registered common carrier to
14 knowingly transport from another state and deliver in this
15 state alcoholic beverages, unless the person has in the
16 person's possession on entering New Mexico a permit from the
17 department for the quantity and class of alcoholic beverages
18 to be delivered, designating the name of the shipper and
19 consignee and the point of origin and destination of the
20 alcoholic beverages.

21 C. Except as provided in Subsections D and E of
22 this section, it is a violation of the Liquor Control Act for
23 a person to transport out of state alcoholic beverages on
24 which the excise tax has not been paid, unless the shipment
25 is accompanied by a permit issued by the department for the

1 exact quantity and class transported, showing the consignee's
2 federal and state license numbers and the point of origin and
3 destination of the alcoholic beverages.

4 D. An individual not a minor may transport into or
5 out of the state a reasonable amount of alcoholic beverages
6 for the exclusive purpose of the individual's private use or
7 consumption, and nothing in the Liquor Control Act limits or
8 applies to such private actions.

9 E. An individual or licensee, except for a person
10 holding a winery license, in a state that affords New Mexico
11 licensees or individuals an equal reciprocal shipping
12 privilege may ship for personal use and not for resale not
13 more than two cases of wine, each case containing no more
14 than nine liters, per month to an individual not a minor in
15 this state. Delivery of a shipment pursuant to this
16 subsection shall not be deemed to constitute a sale in this
17 state and nothing in the Liquor Control Act limits or applies
18 to such shipments. The shipping container of wine sent into
19 or out of this state under this subsection shall be labeled
20 clearly to indicate that the package cannot be delivered to a
21 minor or to an intoxicated person.

22 F. The holder of a direct wine shipment permit
23 issued pursuant to Section 60-6A-11.1 NMSA 1978 may ship no
24 more than two nine-liter cases of wine per month to a person
25 living in New Mexico who is twenty-one years of age or older

1 for the person's personal consumption and not for resale.

2 G. As used in this section, "in this state" means
3 within the exterior boundaries of the state."

4 SECTION 3. EFFECTIVE DATE.--The effective date of the
5 provisions of this act is July 1, 2011. _____

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