Senate Bill No. 428-Senator Schneider

CHAPTER.....

AN ACT relating to intoxicating liquor; requiring a supplier who ships liquor into this state to pay certain taxes under certain circumstances; requiring a supplier who ships wine into this state to enter into a franchise agreement with a wholesaler under certain circumstances; requiring a supplier of wine to pay a fee under certain circumstances; requiring a wholesaler of liquor to purchase liquor from certain persons; requiring the department of taxation to adopt certain regulations; allowing the importation without a license of wine by certain persons for personal use; requiring a person who accepts wine shipped into this state to be a certain age; providing a penalty; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** Chapter 369 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this act.
- Sec. 2. As used in this chapter, "case of wine" means 12 bottles each containing 750 milliliters of wine or an amount equal to that volume of wine.
- Sec. 3. A supplier who ships liquor into this state pursuant to paragraph (b) or (c) of subsection 2 of NRS 369.490 must pay the excise tax levied pursuant to NRS 369.330.
- Sec. 4. A supplier who ships wine into this state pursuant to paragraph (c) of subsection 2 of NRS 369.490 must designate an importer in this state if the supplier:
 - 1. Ships 25 cases or more of wine into this state in a fiscal year; and
 - 2. Has not already designated an importer in this state.
- Sec. 5. If a supplier ships 200 or more cases of wine into this state pursuant to paragraph (c) of subsection 2 of NRS 369.490 in a fiscal year, he must pay a fee equal to the amount of the fee for a license as an importer of wine, beer and liquor in this state for that fiscal year. The fee is due on or before the 30th calendar day after the date on which the 200th case of wine was shipped and is valid only for the remainder of the fiscal year in which the 200th case of wine was shipped.
- Sec. 6. A supplier who ships liquor into this state pursuant to paragraph (b) or (c) of subsection 2 of NRS 369.490 shall preserve for inspection and audit by the department and its agents, for a period of 4 years, all invoices and lists of liquors shipped to a location in this state, specifying the:
 - 1. Kind and quantity of liquor shipped in each order.
 - 2. Name of the person to whom the liquor was shipped.
 - 3. Place to which each order was shipped and the date of shipping.

- Sec. 7. 1. A wholesaler who is not the importer designated by the supplier pursuant to NRS 369.386 may purchase liquor only from:
- (a) The importer designated by the supplier pursuant to NRS 369.386 to import that liquor; or
- (b) A wholesaler who purchased the liquor from the importer designated by the supplier pursuant to NRS 369.386 to import that liquor.
- 2. As used in this section, "supplier" means the brewer, distiller, manufacturer, producer, vintner or bottler of liquor.
 - Sec. 8. 1. A retailer may purchase liquor only from:
- (a) The importer designated by the supplier pursuant to NRS 369.386 to import that liquor if that importer is also a wholesaler; or
- (b) A wholesaler who purchased liquor from the importer designated by the supplier pursuant to NRS 369.386 to import that liquor.
- 2. As used in this section, "supplier" means the brewer, distiller, manufacturer, producer, vintner or bottler of liquor.
- **Sec. 9.** NRS 369.150 is hereby amended to read as follows:
- 369.150 1. The department is charged with the duty of administering the provisions of this chapter.
- 2. The department shall:
- (a) Prescribe and cause to be printed and issued free of charge all forms for applications and reports.
- (b) Except as otherwise provided in NRS 369.430, issue free of charge all certificates and permits.
- (c) Adopt and enforce all rules, regulations and standards necessary or convenient to carry out the provisions of this chapter.
- (d) Adopt regulations to carry out the provisions of sections 3 to 8, inclusive, of this act.
 - **Sec. 10.** NRS 369.386 is hereby amended to read as follows:
- 369.386 1. [A] Except as otherwise provided in section 4 of this act, a supplier of liquor may sell to an importer into this state only if:
- (a) Their commercial relationship is of definite duration or continuing indefinite duration; and
- (b) The importer is granted the right to offer, sell and distribute within this state or any designated area thereof such of the supplier's brands of packaged malt beverages, distilled spirits and wines, or all of them, as may be specified.
- 2. The supplier shall file with the department a written notice indicating the name and address of each designated importer. Each importer shall file with the department a written acceptance of the designation.
- 3. A brewer, distiller, manufacturer, producer, vintner or bottler of liquor who designates an agent to sell his products to importers into this state shall file with the department a written designation indicating the name and address of the agent, and the agent shall file with the department a written acceptance of the designation.

- **Sec. 11.** NRS 369.490 is hereby amended to read as follows:
- 369.490 1. Except as *otherwise* provided in subsection 2, [no] *a* person shall *not* directly or indirectly, himself or by his clerk, agent or employee, offer, keep or possess for sale, furnish or sell, or solicit the purchase or sale of any liquor in this state, or transport or import or cause to be transported or imported any liquor in or into this state for delivery, storage, use or sale therein, unless [such person has] the person:
- (a) Has complied fully with the provisions of this chapter; and [is a holder of]
- (b) Holds an appropriate, valid license, permit or certificate issued by the department.
- 2. [The] Except as otherwise provided in subsection 3, the provisions of this chapter do not apply to a person [entering]:
- (a) Entering this state with a quantity of alcoholic beverage for household or personal use which is exempt from federal import duty; [nor do the provisions of this chapter apply to a person who]
- (b) Who imports 1 gallon or less of alcoholic beverage per month from another state for his own household or personal use [.]; or
- (c) Who:
 - (1) Is a resident of this state;
 - (2) Is 21 years of age or older; and
- (3) Imports 12 cases or less of wine per year for his own household or personal use.
- 3. The provisions of subsection 2 do not apply to a supplier, wholesaler or retailer while he is acting in his professional capacity.
- 4. A person who accepts liquor shipped into this state pursuant to paragraph (b) or (c) of subsection 2 must be 21 years of age or older.
- **Sec. 12.** The amendatory provisions of this act do not apply to offenses that were committed before the effective date of this act.
- **Sec. 13.** This act becomes effective upon passage and approval.

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