



*The Commonwealth of Massachusetts
Department of the State Treasurer
Alcoholic Beverages Control Commission
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Boston, MA 02114*

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**THE ALCOHOLIC BEVERAGES CONTROL COMMISSION (“ABCC”) ADVISORY
ON NEW DIRECT WINE SHIPPER LICENSE, M.G.L. C. 138, §19F**

In July 2014, the legislature amended M.G.L. c. 138, §19F in its entirety, and created a new license known as a Direct Wine Shipper License. A Direct Wine Shipper may sell and deliver up to 12 cases of wine, containing not more than 9 liters of wine per case, per year directly to a resident of the Commonwealth who is 21 years of age or older, for personal use. The law goes into effect January 1, 2015.

A Direct Wine Shipper License only allows holders to sell directly to consumers. Wine manufacturers who wish to sell their products to retailers must do so through licensed Massachusetts Wholesalers.

In order to qualify for a Direct Wine Shipper License, a person, firm, or corporation must:

- 1) hold a federal basic permit pursuant to the Federal Alcohol Administration Act, compiled in 27 U.S.C. § 201 et seq.;
- 2) hold a license in the Commonwealth or any other state to manufacture wine;
- 3) hold a license in any other state to export wine; and
- 4) be in the business of manufacturing, bottling or rectifying wine.

Applications and instructions to obtain a Direct Wine Shipper License can be found at the Massachusetts Alcoholic Beverages Control Commission website at: <http://www.mass.gov/abcc/forms.htm>. Applicants must submit a completed application, along with copies of its TTB federal basic permit, its license(s) to manufacture wine and its license(s) to export wine, and the license fee.

The initial fee for a Direct Wine Shipper License is \$300 per winery. Affiliates, franchises or subsidiaries of the winery each require a separate license. The Direct Wine Shipper License annual renewal fee is \$150.

A Direct Wine Shipper must comply with the laws regarding the proper methods of shipping wine to consumers under M.G.L. c. 138, §22. Any wine delivered to a consumer must be delivered by a M.G.L. c. 138, §22 licensee. Parcels transported or delivered under §22 shall be clearly labelled with “words that indicate that the package contains alcohol and that the signature of a person, age 21 years or older, is required for delivery.”

Direct Wine Shipper Licensees are required to comply with the following reporting obligations imposed by M.G.L. c. 138, §19F (f). In order to assist licensees with this obligation, the Commission has created a fill able PDF form which can be found at: <http://www.mass.gov/abcc/pdf/forms/state/dire.pdf>.

- 1) report yearly to the commission and the department of revenue the total number of gallons of wine shipped into the Commonwealth for the preceding year;

- 2) pay to the department of revenue, under the department's rules and regulations, for each shipment of wine the excise levied on importations of wine calculated under §21 and any and all other applicable taxes; and
- 3) upon request, allow the commission or the department of revenue to perform an audit of the direct shipper licensee's records.

As always, all licensees must ensure that they are in compliance with the Laws of the Commonwealth of Massachusetts, and that sales of alcoholic beverages take place only as authorized by applicable law. Questions concerning this advisory can be directed to Ralph Sacramone, Executive Director of the Massachusetts Alcoholic Beverages Control Commission at 617-727-3040 x 731.

(ISSUED: November 21, 2014)