



STATE OF INDIANA  
ALCOHOL AND TOBACCO COMMISSION

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To: Applicants for direct wine seller permits

From: Indiana Alcohol and Tobacco Commission

Date: June 25, 2015

Re: 2015 Legislative changes to direct wine seller permits

### Memorandum

During the 2015 legislative session, SB 113 changed certain requirements for direct wine sellers. The applicant for a direct wine seller permit does not have to file a surety bond with the commission. Additionally, direct wine sellers are no longer required to have an initial face-to-face meeting with a consumer prior to direct shipping to that consumer. Finally, the number of liters a direct wine seller may ship during the permit year increased from 27,000 liters to 45,000 liters with a tiered fee structure depending on how many liters are direct shipped.

The holder of a farm winery permit and a direct seller's permit may ship directly to a consumer and sell through a licensed wholesaler in the State of Indiana. A winery that is licensed as a primary source in Indiana may not also hold a direct shippers permit or a farm winery permit.

### Applying for a permit

The applicant must meet the requirements of Indiana Code 7.1-3-26-7 to qualify as a direct wine seller. To apply for a new direct wine seller's permit, the applicant must file a completed New or Transfer Permit form and Supplement for Direct Wine Seller's Permit form. If the applicant is also applying for a farm winery permit, the applicant must complete a separate New or Transfer permit application for the Farm Winery permit.

An out-of-state applicant must include copies of the following with these applications:

1. Out-of-state Retail Merchant Certificate issued by the Indiana Department of Revenue;
2. Applicant's permit to manufacture wine in the applicant's home state;
3. Applicant's federal basic permit; and
4. Certificate of Existence filed with the Indiana Secretary of State's Office.

An in-state applicant for a farm winery permit and a direct wine seller permit must include with the application copies of the following:

1. Retail Merchant Certificate issued by the Indiana Department of Revenue;
2. Applicant's federal basic permit;

3. Property tax clearance form 1 signed by the county treasurer where the farm winery is located;
4. Certificate of existence filed with the Indiana Secretary of State; and
5. County Verification of Business Location form signed by the county surveyor where the farm winery is located.

Applications and forms are available online at <http://in.gov/atc/2409.htm>.

### **Permit fees**

The permit fee for a direct seller permit is:

1. \$100 for the direct shipment of not more than 9,000 liters in a permit year;
2. \$200 for the direct shipment of not more than 18,000 liters in a permit year;
3. \$300 for the direct shipment of not more than 27,000 liters in a permit year;
4. \$400 for the direct shipment of not more than 36,000 liters in a permit year; and
5. \$500 for the direct shipment of not more than 45,000 liters in a permit year.

The fee for a farm winery permit is \$500.

### **Shipping requirements**

To direct ship wine to consumers in Indiana, a direct wine seller must satisfy the following conditions for each sale:

1. The consumer must provide the following:
  - a. The consumer's name;
  - b. A valid delivery address and telephone number;
  - c. Proof of age by a state government issued or federal government issued identification card showing the consumer to be at least twenty-one (21) years of age. The proof of age may be evidenced:
    - i. In person,
    - ii. By a photocopy or facsimile copy that is mailed or electronically transmitted;
    - iii. By a computer scanned, electronically transmitted copy; or
    - iv. Through an age verification service used by the direct wine seller.
2. The direct wine seller must also:
  - a. Maintain copies of records of direct wine sales for 2 years;
  - b. Stamp, print, or label on the outside of the shipping container the following:  
"CONTAINS WINE. SIGNATURE OF PERSON AGE 21 OR OLDER  
REQUIRED FOR DELIVERY."
  - c. Cause the wine to be delivered by the holder of a valid carrier's alcoholic beverage permit under IC 7.1-3-18.
  - d. Direct the carrier to verify that the individual personally receiving the wine shipment is at least twenty-one (21) years of age.
  - e. Not ship to any consumer more than two hundred sixteen (216) liters of wine in any calendar year.

- f. Remit to the department of state revenue monthly all Indiana excise, sales, and use taxes on the shipments made into Indiana by the direct wine seller during the previous month.
- g. Ship to a consumer in Indiana only wine manufactured, produced or bottled by the applicant.

If you have any questions, please call 317-232-2430.