

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 121 Session of
2013

INTRODUCED BY SONNEY, SAYLOR, EVERETT, O'BRIEN, P. COSTA,
WATSON, R. BROWN, MILLARD, BARRAR, MUSTIO, LUCAS, MACKENZIE,
MOUL, GROVE, OBERLANDER, WHITE, GRELL, TURZAI AND DeLUCA,
JANUARY 16, 2013

AS REPORTED FROM COMMITTEE ON LIQUOR CONTROL, HOUSE OF
REPRESENTATIVES, AS AMENDED, FEBRUARY 5, 2013

AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled, as
2 reenacted, "An act relating to alcoholic liquors, alcohol and
3 malt and brewed beverages; amending, revising, consolidating
4 and changing the laws relating thereto; regulating and
5 restricting the manufacture, purchase, sale, possession,
6 consumption, importation, transportation, furnishing, holding
7 in bond, holding in storage, traffic in and use of alcoholic
8 liquors, alcohol and malt and brewed beverages and the
9 persons engaged or employed therein; defining the powers and
10 duties of the Pennsylvania Liquor Control Board; providing
11 for the establishment and operation of State liquor stores,
12 for the payment of certain license fees to the respective
13 municipalities and townships, for the abatement of certain
14 nuisances and, in certain cases, for search and seizure
15 without warrant; prescribing penalties and forfeitures;
16 providing for local option, and repealing existing laws,"
17 further providing for DEFINITIONS, FOR GENERAL POWERS OF THE <--
18 PENNSYLVANIA LIQUOR CONTROL BOARD, FOR SALES BY PENNSYLVANIA
19 LIQUOR STORES, FOR shipment of wine into Commonwealth and for
20 limited wineries.

21 The General Assembly of the Commonwealth of Pennsylvania

22 hereby enacts as follows:

23 ~~Section 1. Section 488 of the act of April 12, 1951 (P.L.90, <--~~
24 ~~No.21), known as the Liquor Code, reenacted and amended June 29,~~
25 ~~1987 (P.L.32, No.14) and added February 21, 2002 (P.L.103,~~

1 ~~No.10), is amended to read:~~

2 SECTION 1. THE DEFINITION OF "ELIGIBLE ENTITY" IN SECTION <--
3 102 OF THE ACT OF APRIL 12, 1951 (P.L.90, NO.21), KNOWN AS THE
4 LIQUOR CODE, REENACTED AND AMENDED JUNE 29, 1987 (P.L.32, NO.14)
5 AND AMENDED JULY 5, 2012 (P.L.1007, NO.116), IS AMENDED TO READ:

6 SECTION 102. DEFINITIONS.--THE FOLLOWING WORDS OR PHRASES,
7 UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE, SHALL HAVE THE
8 MEANINGS ASCRIBED TO THEM IN THIS SECTION:

9 * * *

10 "ELIGIBLE ENTITY" SHALL MEAN A CITY OF THE THIRD CLASS, A
11 HOSPITAL, A CHURCH, A SYNAGOGUE, A VOLUNTEER FIRE COMPANY, A
12 VOLUNTEER AMBULANCE COMPANY, A VOLUNTEER RESCUE SQUAD, A UNIT OF
13 A NATIONALLY CHARTERED CLUB WHICH HAS BEEN ISSUED A CLUB LIQUOR
14 LICENSE, A CLUB WHICH HAS BEEN ISSUED A CLUB LIQUOR LICENSE AND
15 WHICH, AS OF DECEMBER 31, 2002, HAS BEEN IN EXISTENCE FOR AT
16 LEAST 100 YEARS, A LIBRARY, A NATIONALLY ACCREDITED PENNSYLVANIA
17 NONPROFIT ZOOLOGICAL INSTITUTION LICENSED BY THE UNITED STATES
18 DEPARTMENT OF AGRICULTURE, A NONPROFIT AGRICULTURAL ASSOCIATION
19 IN EXISTENCE FOR AT LEAST TEN YEARS, A BONA FIDE SPORTSMEN'S
20 CLUB IN EXISTENCE FOR AT LEAST TEN YEARS, A NATIONALLY CHARTERED
21 VETERANS' ORGANIZATION AND ANY AFFILIATED LODGE OR SUBDIVISION
22 OF SUCH ORGANIZATION, A FRATERNAL BENEFIT SOCIETY THAT IS
23 LICENSED TO DO BUSINESS IN THIS COMMONWEALTH AND ANY AFFILIATED
24 LODGE OR SUBDIVISION OF SUCH FRATERNAL BENEFIT SOCIETY, A MUSEUM
25 OPERATED BY A NONPROFIT CORPORATION, A NONPROFIT CORPORATION
26 ENGAGED IN THE PERFORMING ARTS, AN ARTS COUNCIL, A NONPROFIT
27 CORPORATION THAT OPERATES AN ARTS FACILITY OR MUSEUM, A
28 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3) OF THE
29 INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. §
30 501(C)(3)) WHOSE PURPOSE IS TO PROTECT THE ARCHITECTURAL

1 HERITAGE OF BOROUGH OR A TOWNSHIP OF THE SECOND CLASS AND WHICH
2 HAS BEEN RECOGNIZED AS SUCH BY A MUNICIPAL RESOLUTION, A
3 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3) OF THE
4 INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. §
5 501(C)(3)) CONDUCTING A REGATTA IN A CITY OF THE SECOND CLASS
6 WITH THE PERMIT TO BE USED ON STATE PARK GROUNDS OR CONDUCTING A
7 FAMILY-ORIENTED CELEBRATION AS PART OF WELCOME AMERICA IN A CITY
8 OF THE FIRST CLASS ON PROPERTY LEASED FROM THAT CITY FOR MORE
9 THAN FIFTY YEARS, A NONPROFIT ORGANIZATION AS DEFINED UNDER
10 SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (26
11 U.S.C. § 501(C)(3)) WHOSE PURPOSE IS TO RAISE FUNDS FOR THE
12 RESEARCH AND TREATMENT OF CYSTIC FIBROSIS, A NONPROFIT
13 ORGANIZATION AS DEFINED UNDER SECTION 501(C)(3) OF THE INTERNAL
14 REVENUE CODE OF 1986 (26 U.S.C. § 501(C)(3)) WHOSE PURPOSE IS TO
15 EDUCATE THE PUBLIC ON ISSUES DEALING WITH WATERSHED
16 CONSERVATION, A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION
17 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (PUBLIC LAW 99-
18 514, 26 U.S.C. § 501(C)(3)) WHOSE PURPOSE IS TO PROVIDE EQUINE
19 ASSISTED ACTIVITIES FOR CHILDREN AND ADULTS WITH SPECIAL NEEDS,
20 A NONPROFIT ECONOMIC DEVELOPMENT AGENCY IN A CITY OF THE SECOND
21 CLASS WITH THE PRIMARY FUNCTION TO SERVE AS AN ECONOMIC
22 GENERATOR FOR THE GREATER SOUTHWESTERN PENNSYLVANIA REGION BY
23 ATTRACTING AND SUPPORTING FILM, TELEVISION AND RELATED MEDIA
24 INDUSTRY PROJECTS AND COORDINATING GOVERNMENT AND BUSINESS
25 OFFICES IN SUPPORT OF A PRODUCTION, A COUNTY TOURIST PROMOTION
26 AGENCY AS DEFINED IN SECTION 3(1) OF THE ACT OF APRIL 28, 1961
27 (P.L.111, NO.50), KNOWN AS THE "TOURIST PROMOTION LAW," A JUNIOR
28 LEAGUE THAT IS A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION
29 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986 (26 U.S.C. §
30 501(C)(3)) THAT IS COMPRISED OF WOMEN WHOSE PURPOSE IS

1 EXCLUSIVELY EDUCATIONAL AND CHARITABLE IN PROMOTING THE
2 VOLUNTEERISM OF WOMEN AND DEVELOPING AND PARTICIPATING IN
3 COMMUNITY PROJECTS AND THAT HAS BEEN IN EXISTENCE FOR OVER
4 SEVENTY YEARS, A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION
5 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986 AND WHOSE PURPOSE
6 IS THE EDUCATION AND PROMOTION OF AMERICAN HISTORY, A NONPROFIT
7 ORGANIZATION AS DEFINED UNDER SECTION 501(C) (6) OF THE INTERNAL
8 REVENUE CODE OF 1986 WHOSE PURPOSE IS TO SUPPORT BUSINESS AND
9 INDUSTRY, A BREWERY WHICH HAS BEEN ISSUED A LICENSE TO
10 MANUFACTURE MALT OR BREWED BEVERAGES AND HAS BEEN IN EXISTENCE
11 FOR AT LEAST 100 YEARS OR A CLUB RECOGNIZED BY ROTARY
12 INTERNATIONAL AND WHOSE PURPOSE IS TO PROVIDE SERVICE TO OTHERS,
13 TO PROMOTE HIGH ETHICAL STANDARDS AND TO ADVANCE WORLD
14 UNDERSTANDING, GOODWILL AND PEACE THROUGH ITS FELLOWSHIP OF
15 BUSINESS, PROFESSIONAL AND COMMUNITY LEADERS OR A NONPROFIT
16 ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE INTERNAL
17 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. § 501(C) (3))
18 WHOSE PURPOSE IS TO PROMOTE MUSHROOMS WHILE SUPPORTING LOCAL AND
19 REGIONAL CHARITIES, A MUSEUM OPERATED BY A NOT-FOR-PROFIT
20 CORPORATION IN A CITY OF THE SECOND CLASS A, A NONPROFIT
21 ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE INTERNAL
22 REVENUE CODE OF 1986 WHICH IS LOCATED IN A CITY OF THE SECOND
23 CLASS A AND HAS AS ITS PURPOSE ECONOMIC AND COMMUNITY
24 DEVELOPMENT, A NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION
25 501(C) (3) OR (6) OF THE INTERNAL REVENUE CODE OF 1986 THAT IS
26 LOCATED IN A CITY OF THE THIRD CLASS IN A COUNTY OF THE FIFTH
27 CLASS, A NONPROFIT SOCIAL SERVICE ORGANIZATION DEFINED UNDER
28 SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986 LOCATED
29 IN A COUNTY OF THE THIRD CLASS WHOSE PURPOSE IS TO SERVE
30 INDIVIDUALS AND FAMILIES IN THAT COUNTY OF THE THIRD CLASS, A

1 NONPROFIT ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE
2 INTERNAL REVENUE CODE OF 1986 WHOSE MAIN PURPOSE IS TO
3 TEMPORARILY FOSTER STRAY AND UNWANTED ANIMALS AND MATCH THEM TO
4 SUITABLE PERMANENT HOMES OR A NONPROFIT ORGANIZATION AS DEFINED
5 UNDER SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986 WHO
6 OPERATES EITHER A MAIN STREET PROGRAM OR ELM STREET PROGRAM
7 RECOGNIZED BY THE COMMONWEALTH, THE NATIONAL TRUST FOR HISTORIC
8 PRESERVATION OR BOTH, A NONPROFIT RADIO STATION THAT IS A MEMBER
9 OF THE NATIONAL PUBLIC RADIO NETWORK, A NONPROFIT PUBLIC
10 TELEVISION STATION THAT IS A MEMBER OF THE PENNSYLVANIA PUBLIC
11 TELEVISION NETWORK OR A NONPROFIT ORGANIZATION AS DEFINED UNDER
12 SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE OF 1986 WHOSE
13 PURPOSE IS TO PROMOTE AWARENESS, EDUCATION AND RESEARCH AND TO
14 PROVIDE A SUPPORT SYSTEM FOR PATIENTS WITH NEUTROPENIA AND THEIR
15 FAMILIES THROUGH A NATIONAL RESOURCE NETWORK OR A NONPROFIT
16 ORGANIZATION AS DEFINED UNDER SECTION 501(C) (3) OF THE INTERNAL
17 REVENUE CODE OF 1986 WHOSE PURPOSE IS TO ALLOCATE FUNDS FOR
18 RESEARCH TO EXPEDITE A CURE FOR ACHROMATOPSIA.

19 * * *

20 SECTION 2. SECTION 207(B) OF THE ACT IS AMENDED TO READ:
21 SECTION 207. GENERAL POWERS OF BOARD.--UNDER THIS ACT, THE
22 BOARD SHALL HAVE THE POWER AND ITS DUTY SHALL BE:

23 * * *

24 (B) TO CONTROL THE MANUFACTURE, POSSESSION, SALE,
25 CONSUMPTION, IMPORTATION, USE, STORAGE, TRANSPORTATION AND
26 DELIVERY OF LIQUOR, ALCOHOL AND MALT OR BREWED BEVERAGES IN
27 ACCORDANCE WITH THE PROVISIONS OF THIS ACT, AND TO FIX THE
28 WHOLESALE AND RETAIL PRICES AT WHICH LIQUORS AND ALCOHOL SHALL
29 BE SOLD AT PENNSYLVANIA LIQUOR STORES. PRICES SHALL BE
30 PROPORTIONAL WITH PRICES PAID BY THE BOARD TO ITS SUPPLIERS AND

1 SHALL REFLECT ANY ADVANTAGE OBTAINED THROUGH VOLUME PURCHASES BY
2 THE BOARD. THIS PROPORTIONAL PRICING PROVISION SHALL NOT APPLY
3 TO SPECIAL LIQUOR ORDERS AUTHORIZED UNDER SECTION 305(A) OF THIS
4 ACT. THE BOARD MAY ESTABLISH A PREFERENTIAL PRICE STRUCTURE FOR
5 WINES PRODUCED WITHIN THIS COMMONWEALTH FOR THE PROMOTION OF
6 SUCH WINES, AS LONG AS THE PRICE STRUCTURE IS UNIFORM WITHIN
7 EACH CLASS OF WINE PURCHASED BY THE BOARD. THE BOARD SHALL
8 REQUIRE EACH PENNSYLVANIA MANUFACTURER AND EACH NONRESIDENT
9 MANUFACTURER OF LIQUORS, OTHER THAN WINE, SELLING SUCH LIQUORS
10 TO THE BOARD, WHICH ARE NOT MANUFACTURED IN THIS COMMONWEALTH,
11 TO MAKE APPLICATION FOR AND BE GRANTED A PERMIT BY THE BOARD
12 BEFORE SUCH LIQUORS NOT MANUFACTURED IN THIS COMMONWEALTH SHALL
13 BE PURCHASED FROM SUCH MANUFACTURER. EACH SUCH MANUFACTURER
14 SHALL PAY FOR SUCH PERMIT A FEE WHICH, IN THE CASE OF A
15 MANUFACTURER OF THIS COMMONWEALTH, SHALL BE EQUAL TO THAT
16 REQUIRED TO BE PAID, IF ANY, BY A MANUFACTURER OR WHOLESALER OF
17 THE STATE, TERRITORY OR COUNTRY OF ORIGIN OF THE LIQUORS, FOR
18 SELLING LIQUORS MANUFACTURED IN PENNSYLVANIA, AND IN THE CASE OF
19 A NONRESIDENT MANUFACTURER, SHALL BE EQUAL TO THAT REQUIRED TO
20 BE PAID, IF ANY, IN SUCH STATE, TERRITORY OR COUNTRY BY
21 PENNSYLVANIA MANUFACTURERS DOING BUSINESS IN SUCH STATE,
22 TERRITORY OR COUNTRY. IN THE EVENT THAT ANY SUCH MANUFACTURER
23 SHALL, IN THE OPINION OF THE BOARD, SELL OR ATTEMPT TO SELL
24 LIQUORS TO THE BOARD THROUGH ANOTHER PERSON FOR THE PURPOSE OF
25 EVADING THIS PROVISION RELATING TO PERMITS, THE BOARD SHALL
26 REQUIRE SUCH PERSON, BEFORE PURCHASING LIQUORS FROM HIM OR IT,
27 TO TAKE OUT A PERMIT AND PAY THE SAME FEE AS HEREINBEFORE
28 REQUIRED TO BE PAID BY SUCH MANUFACTURER. ALL PERMIT FEES SO
29 COLLECTED SHALL BE PAID INTO THE STATE STORES FUND. THE BOARD
30 SHALL NOT PURCHASE ANY ALCOHOL OR LIQUOR FERMENTED, DISTILLED,

1 RECTIFIED, COMPOUNDED OR BOTTLED IN ANY STATE, TERRITORY OR
2 COUNTRY, THE LAWS OF WHICH RESULT IN PROHIBITING THE IMPORTATION
3 THEREIN OF ALCOHOL OR LIQUOR, FERMENTED, DISTILLED, RECTIFIED,
4 COMPOUNDED OR BOTTLED IN PENNSYLVANIA.

5 * * *

6 SECTION 3. SECTION 305(A) OF THE ACT, AMENDED MAY 8, 2003
7 (P.L.1, NO.1), IS AMENDED TO READ:

8 SECTION 305. SALES BY PENNSYLVANIA LIQUOR STORES.--(A) THE
9 BOARD SHALL IN ITS DISCRETION DETERMINE WHERE AND WHAT CLASSES,
10 VARIETIES AND BRANDS OF LIQUOR AND ALCOHOL IT SHALL MAKE
11 AVAILABLE TO THE PUBLIC AND WHERE SUCH LIQUOR AND ALCOHOL WILL
12 BE SOLD. EVERY PENNSYLVANIA LIQUOR STORE SHALL BE AUTHORIZED TO
13 SELL COMBINATION PACKAGES. IF A PERSON DESIRES TO PURCHASE A
14 CLASS, VARIETY OR BRAND OF LIQUOR OR ALCOHOL NOT CURRENTLY
15 AVAILABLE FROM THE BOARD, HE OR SHE MAY PLACE A SPECIAL ORDER
16 FOR SUCH ITEM SO LONG AS THE ORDER IS FOR TWO OR MORE BOTTLES.
17 THE BOARD MAY REQUIRE A REASONABLE DEPOSIT FROM THE PURCHASER AS
18 A CONDITION FOR ACCEPTING THE ORDER. THE CUSTOMER SHALL BE
19 NOTIFIED IMMEDIATELY UPON THE ARRIVAL OF THE GOODS.

20 IN COMPUTING THE RETAIL PRICE OF SUCH SPECIAL ORDERS FOR
21 LIQUOR OR ALCOHOL, THE BOARD SHALL NOT INCLUDE THE COST OF
22 FREIGHT OR SHIPPING BEFORE APPLYING [THE] A MARK-UP THAT SHALL
23 NOT EXCEED TEN PER CENTUM OF THE COST OF THE PRODUCT AND TAXES
24 BUT SHALL ADD THE FREIGHT OR SHIPPING CHARGES TO THE PRICE AFTER
25 THE MARK-UP AND TAXES HAVE BEEN APPLIED.

26 UNLESS THE CUSTOMER PAYS FOR AND ACCEPTS DELIVERY OF ANY SUCH
27 SPECIAL ORDER WITHIN TEN DAYS AFTER NOTICE OF ARRIVAL, THE STORE
28 MAY PLACE IT IN STOCK FOR GENERAL SALE AND THE CUSTOMER'S
29 DEPOSIT SHALL BE FORFEITED.

30 * * *

1 SECTION 4. SECTION 488 OF THE ACT, ADDED FEBRUARY 21, 2002
2 (P.L.103, NO.10), IS AMENDED TO READ:

3 Section 488. Shipment of Wine [into Commonwealth].--(a) The
4 shipment of wine [from out-of-State] to residents of this
5 Commonwealth [is prohibited, except as otherwise provided for
6 in] shall be governed by this section.

7 (b) Notwithstanding any other provision of this act or law
8 to the contrary, a person licensed by the board or another state
9 as a producer[, supplier, importer, wholesaler, distributor or
10 retailer] of wine and who obtains a direct wine shipper license
11 as provided for in this section may ship [up to nine liters per
12 month of] any wine [not included on the list provided for in
13 subsection (c)] on the [Internet] order of any resident of this
14 Commonwealth who is at least twenty-one (21) years of age for
15 such resident's personal use and not for resale.

16 (c) [Each month, the board shall publish on the Internet a
17 list of all classes, varieties and brands of wine available for
18 sale in the Pennsylvania Liquor Stores. A person holding a
19 direct shipper license may ship only those classes, varieties
20 and brands of wine not included on the list at the time an
21 Internet order is placed.] Prior to issuing a direct wine
22 shipper license, the board shall require the person seeking the
23 license to:

24 (1) File an application with the board.

25 (2) Pay a one hundred dollar (\$100) registration fee.

26 (3) Provide to the board a true copy of the applicant's
27 current alcoholic beverage license issued by the board or
28 another state, if applicable.

29 (4) Provide documentation to the board which evidences that
30 the applicant has obtained a sales tax license from the

1 Department of Revenue.

2 (5) Provide the board with any other information that the
3 board deems necessary and appropriate.

4 (d) [An out-of-State] A direct wine shipper shall:

5 (1) [Not ship more than nine liters per month on the
6 Internet order of any person in this Commonwealth.] On a
7 quarterly basis, pay to the Department of Revenue all taxes due
8 on sales to residents of this Commonwealth. The amount of such <--
9 taxes shall be calculated as if the sale were in this
10 Commonwealth at the locations where delivery is made.

11 NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE <--
12 WINE DELIVERED UNDER THE AUTHORITY OF THIS SECTION WILL BE
13 SUBJECT TO THE SALES AND USE TAX IMPOSED BY SECTION 202 OF THE
14 ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE "TAX REFORM
15 CODE OF 1971," THE SALES AND USE TAX IMPOSED BY ARTICLE XXXI-B
16 OF THE ACT OF JULY 28, 1953 (P.L.723, NO.230), KNOWN AS THE
17 "SECOND CLASS COUNTY CODE," THE SALES AND USE TAX IMPOSED BY THE
18 ACT OF JUNE 5, 1991 (P.L.9, NO.6), KNOWN AS THE "PENNSYLVANIA
19 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF THE
20 FIRST CLASS," AND THE EMERGENCY STATE TAX IMPOSED ON WINES SOLD
21 BY THE BOARD UNDER THE ACT OF JUNE 9, 1936 (1ST SP. SESS.,
22 P.L.13, NO.4), ENTITLED "AN ACT IMPOSING AN EMERGENCY STATE TAX
23 ON LIQUOR, AS HEREIN DEFINED, SOLD BY THE PENNSYLVANIA LIQUOR
24 CONTROL BOARD; PROVIDING FOR THE COLLECTION AND PAYMENT OF SUCH
25 TAX; AND IMPOSING DUTIES UPON THE DEPARTMENT OF REVENUE AND THE
26 PENNSYLVANIA LIQUOR CONTROL BOARD."

27 (2) Report to the board each year the total of wine shipped
28 [into] to residents of this Commonwealth in the preceding
29 calendar year.

30 (3) Permit the board, the enforcement bureau or the

1 Secretary of Revenue, or their designated representatives, to
2 perform an audit of the [out-of-State] direct wine shipper's
3 records upon request.

4 (4) Be deemed to have submitted to the jurisdiction of the
5 board, any other State agency and the courts of this
6 Commonwealth for purposes of enforcement of this section and any
7 related laws, rules or regulations, including the collection and
8 remission of taxes as required under this section.

9 (5) Require proof of age of the recipient, in a manner or
10 format approved by the board, before any wine is shipped to a
11 resident of this Commonwealth.

12 (6) Ensure that all boxes or exterior containers of wine
13 shipped directly to a resident of this Commonwealth are
14 conspicuously labeled with the words "CONTAINS ALCOHOL:
15 SIGNATURE OF PERSON 21 YEARS OF AGE OR OLDER REQUIRED FOR
16 DELIVERY."

17 (7) Annually renew its license by paying a renewal fee
18 established by the board.

19 (e) A direct shipper may ship wine on the [Internet] order
20 of a resident into this Commonwealth provided that the wine [is
21 shipped to a Pennsylvania Liquor Store selected by the resident.
22 The wine will be subject to taxes in the same manner as wine
23 sold directly by the board. The wine will not be released by the
24 State store until all moneys due, including all taxes and fees,
25 have been paid by the resident.] ~~will be subject to to all taxes <--~~
26 ~~due on sales to residents of this Commonwealth with the amount~~
27 ~~of such taxes to be calculated as if the sale were in this~~
28 ~~Commonwealth at the location where delivery is made. DELIVERED <--~~
29 UNDER THE AUTHORITY OF THIS SECTION WILL BE SUBJECT TO THE SALES
30 AND USE TAX IMPOSED BY SECTION 202 OF THE TAX REFORM CODE OF

1 1971, THE SALES AND USE TAX IMPOSED BY ARTICLE XXXI-B OF THE
2 SECOND CLASS COUNTY CODE, THE SALES AND USE TAX IMPOSED BY THE
3 PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR
4 CITIES OF THE FIRST CLASS, AND THE EMERGENCY STATE TAX IMPOSED
5 ON WINES SOLD BY THE BOARD UNDER THE ACT OF JUNE 9, 1936 (1ST
6 SP. SESS., P.L.13, NO.4), ENTITLED "AN ACT IMPOSING AN EMERGENCY
7 STATE TAX ON LIQUOR, AS HEREIN DEFINED, SOLD BY THE PENNSYLVANIA
8 LIQUOR CONTROL BOARD; PROVIDING FOR THE COLLECTION AND PAYMENT
9 OF SUCH TAX; AND IMPOSING DUTIES UPON THE DEPARTMENT OF REVENUE
10 AND THE PENNSYLVANIA LIQUOR CONTROL BOARD."

11 (E.1) A TRANSPORTER FOR HIRE SHALL:

12 (1) KEEP RECORDS AS REQUIRED UNDER SECTION 512 PERTAINING TO
13 THE DIRECT SHIPMENT OF WINE; AND

14 (2) PERMIT THE BOARD AND THE ENFORCEMENT BUREAU, OR THEIR
15 DESIGNATED REPRESENTATIVES, TO INSPECT SUCH RECORDS IN
16 ACCORDANCE WITH SECTION 513.

17 (f) [A person shall sign an affidavit provided by the
18 Pennsylvania Liquor Store where the wine was delivered to
19 stating that the wine will only be used for the person's
20 personal use.] Any person who resells wine obtained under this
21 section commits a misdemeanor of the second degree.

22 (g) The board may promulgate such rules and regulations as
23 are necessary to implement and enforce the provisions of this
24 section. [The board may charge the resident a fee to cover the
25 cost associated with processing the Internet order.]

26 (h) The board shall submit [monthly] annual reports to the
27 Appropriations Committee and the Law and Justice Committee of
28 the Senate and to the Appropriations Committee and the Liquor
29 Control Committee of the House of Representatives summarizing
30 the number of direct shipper licenses issued by the board[,] and

1 the quantity of wine sold by direct wine shippers pursuant to
2 this section [and the total dollar value of sales under this
3 section].

4 (i) The term "wine" as used in this section shall mean
5 liquor which is fermented from grapes and other fruits, having
6 alcoholic content of twenty-four per centum or less. The term
7 "wine" shall not include malt or brewed beverages nor shall wine
8 include any products containing alcohol derived from malt,
9 grain, cereal, molasses or cactus.

10 (j) The term "direct wine shipper" as used in this section
11 shall mean a person who holds a direct wine shipper license as
12 provided for in this section and includes a limited winery.

13 Section ~~2~~ 5. Section 505.2(a) of the act is amended by <--
14 adding a clause to read:

15 Section 505.2. Limited Wineries.--(a) In the interest of
16 promoting tourism and recreational development in Pennsylvania,
17 holders of a limited winery license may:

18 * * *

19 (2.1) Notwithstanding any other provision of this act or law
20 to the contrary, only ship wine to residents of this
21 Commonwealth in accordance with the provisions of section 488.

22 * * *

23 Section ~~3~~ 6. This act shall take effect in 60 days. <--