

Amendment No. 1 to HB2027

Haynes
Signature of Sponsor

AMEND Senate Bill No. 2415

House Bill No. 2027*

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 57-3-207, is amended by adding the following language:

(q)

(1) For purposes of this subsection (q), "satellite facility" means any facility or location other than the primary business location of a winery or farm wine producer.

(2) Any winery or any farm wine producer licensed by this section may conduct business at any two (2) satellite facilities in any jurisdiction where it is lawful to manufacture intoxicating liquors or intoxicating drinks pursuant to § 57-2-103(c) and (d). At its satellite facilities, the winery may conduct any business that is authorized at the licensed winery, except for the manufacturing and bottling of wine. At its satellite facilities, a farm wine producer may conduct any business that is authorized at the premises of the farm wine producer.

(3) Any winery licensed by this section or any farm wine producer shall obtain a satellite permit for each satellite facility utilized by the winery or farm wine producer from the commission in order to:

(A) Serve samples with or without charge;

(B) Sell wine for consumption on or off the permitted premises; and

Amendment No. 1 to HB2027

Haynes
Signature of Sponsor

AMEND Senate Bill No. 2415

House Bill No. 2027*

(C) Sell any other products under subsections (h) and (o).

(4) A satellite permit issued to a winery or farm wine producer pursuant to this subsection (q) shall only be available upon the payment of a one-time application fee to the commission of three hundred dollars (\$300) per satellite location and upon the payment of an annual license fee of one hundred fifty dollars (\$150).

(5)

(A) Any winery or farm wine producer licensed under this section that has obtained a satellite permit and elects to charge consumers for samples may only sell such samples that are manufactured by the winery or farm wine producer. Any wine provided at the satellite facility for sales, whether for tastings, for consumption on the premises, and for consumption off the premises, shall be obtained from a wholesaler licensed pursuant to § 57-3-203.

(B) A wholesaler of the winery or farm wine producer's products may permit a winery or farm wine producer to deliver for sale products which are sold on the premises of the winery, the farm wine producer, or the satellite facility; provided, that the wholesaler permitting such direct shipment shall include the amounts delivered in its inventory, report depletions for purposes

of tax collection, and be responsible for the payment of taxes of such depletions.

(r)

(1) Any winery or farm wine producer licensed pursuant to this section may qualify for and hold a license under chapter 4 of this title as a restaurant or limited service restaurant; provided, that notwithstanding chapter 4 of this title related to restrictions or prohibitions on licensees under chapter 4, a restaurant or limited service restaurant may sell for off-premises consumption, wine manufactured pursuant to this section at such location or at any other restaurant or limited service restaurant licensed under chapter 4 that is owned by the same person.

(2) Notwithstanding any law, rule, or regulation to the contrary, any winery or farm wine producer licensed under this section may serve wine manufactured by the winery or the farm wine producer for consumption on the premises of the winery or farm wine producer.

(s) Any sale of wine authorized by this section for consumption on the premises at the winery or on the premises of the farm wine producer shall be subject to taxation pursuant to § 57-4-301(c) in addition to any sales tax which is due. Such taxes shall be paid and collected in the manner prescribed by § 57-4-301 and the regulations of the department of revenue promulgated under the authority of such section.

SECTION 2. Tennessee Code Annotated, Section 57-3-207, is amended by deleting subsection (f) in its entirety and by substituting instead the following language:

(f)

(1) A winery licensed under this section may serve wine, with or without charge, as samples for tasting on the premises at the winery, and

may sell wine at retail in sealed containers at the winery, but not for consumption in the bonded areas.

(2) A winery licensed under this section may donate wine without charge to nonprofit religious, educational or charitable institutions or associations.

(3) For purposes of this section, “premises” means any and all of the real property owned or leased by the winery, except for the bonded areas.

SECTION 3. Tennessee Code Annotated, Section 57-3-207(o)(4)(C), is amended by deleting the subdivision in its entirety and by substituting instead the following language:

(C) Offer on the premises of the farm single servings of its wine, with or without charge, as tastings for each wine sample; and

SECTION 4. Tennessee Code Annotated, Section 57-3-207(o), is amended by deleting subdivision (o)(5) in its entirety.

SECTION 5. Tennessee Code Annotated, Section 57-3-207(o)(4)(D), is amended by deleting the language “where no wine is consumed”.

SECTION 6. This act shall take effect upon becoming a law, the public welfare requiring it.