**A** **BILL**

TO AMEND SECTION 61-4-730 OF THE 1976 CODE, RELATING TO SALES BY PERMITTED WINERIES, TO PROVIDE THAT PERMITTED WINERIES MAY APPLY FOR A RETAIL ON-PREMISES PERMIT FOR THE SALE OF WINE PRODUCED BY THE LICENSEE FOR SALE IN A SEPARATE LOCATION FROM ITS LICENSED PREMISES, TO PROVIDE THAT PERMITTED WINERIES MAY APPLY FOR UP TO FIFTY SPECIAL EVENT PERMITS PER YEAR FROM THE DEPARTMENT OF REVENUE FOR LOCATIONS THAT ARE NOT A WINERY’S LICENSED PREMISES, AND TO PROVIDE FOR QUALIFICATIONS FOR ON-PREMISES PERMITS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 61-4-730 of the 1976 Code is amended to read:

“Section 61-4-730. (A) Permitted wineries that produce and sell wine produced on its premises with at least sixty percent of the juice or liquid from fruit and berries or other fermentables that are grown in this State may sell the wine at retail, wholesale, or both, and deliver or ship the wine to licensed retailers in this State or to consumer homes in and outside the State. Wine must be delivered between 7:00 a.m. and 7:00 p.m.

(B) Permitted wineries that produce and sell wine produced on their premises with less than sixty percent of the juice or liquid from fruit and berries or other fermentables that are grown in this State may retail from the winery and ship the wine directly to consumer homes in and outside the State, but these wineries are not wholesalers of the wine. These wineries shall use a licensed South Carolina wholesaler to deliver or ship the wine to licensed retailers in this State.

(C) Permitted wineries as described in subsections (A) and (B) may apply for a retail on-premises permit for the sale of wine produced by the licensee for sale in a separate location from its licensed premises.

(D) Permitted wineries with a retail on-premises permit may transfer the products from the original licensed premises to the retail on-premises location. Permitted wineries with a retail on-premises permit must:

(1) grow agricultural products in the State of South Carolina that are used in the production of the wine at the permitted winery premises, which must be at least an acre in area and which must be no more than twenty-five miles from the original permitted winery premises;

(2) sell wine only for personal use and not for resale;

(3) comply with the discount pricing provisions of Section 61-4-160, applicable to persons holding permits to sell beer and wine for on-premises consumption;

(4) sell the wine at a price approximating retail prices generally charged for identical beverages in the county where the permitted retail premises will be located; and

(5) remit taxes to the department for wine sales in an amount equal to and in a manner required for taxes assessed in Title 12. The winery also must remit appropriate sales and use taxes and local hospitality taxes, if applicable.

(E) Permitted wineries as described in subsections (A) and (B) may apply for up to fifty special event permits per year from the department for locations that are not a winery’s licensed premises. Permitted wineries shall comply with special event permit requirements as specified by the department.

~~(C)~~(F) The South Carolina Department of Agriculture shall periodically inspect the records of permitted wineries for verification of the percentage of juice from fruit and berries grown in this State used in the manufacturing of the wineries’ products. Within ten days of conducting an inspection, the South Carolina Department of Agriculture shall report its findings to the South Carolina Department of Revenue. If a winery is found to be in violation of this statute, the owner of the winery is subject to penalties pursuant to Section 61-4-780.”

SECTION 2. This act takes effect upon approval by the Governor.

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