



Updated 4/13/09

A.R.S. §4-205.04. Domestic farm winery license; issuance; regulatory provisions; retail site

- A. The director may issue a domestic farm winery license to any person who meets the requirements of subsection c of this section. Each location that engages in producing and bottling these products must obtain a separate domestic farm winery license. The licensee may not transfer the domestic farm winery license from person to person or from location to location.
- B. An applicant for a domestic farm winery license, at the time of filing the application for the license, shall accompany the application with the license fee. Persons holding a domestic farm winery license shall report annually at the end of each fiscal year, at such time and in such manner as the director may prescribe, the amount of wine manufactured by them during the fiscal year. If the total amount of wine manufactured during the year exceeds the amount permitted annually by the license, the licensee shall apply for and receive A producer's license.
- C. A person may be licensed as a domestic farm winery to sell wine produced or manufactured if in a calendar year it produces at least two hundred gallons and not more than forty thousand gallons of wine and may make sales and deliveries of wine only as specifically provided in this section and as follows:
 - 1. A licensed domestic farm winery may make sales and deliveries of wine to wholesalers licensed to sell wine under this title.
 - 2. a licensed domestic farm winery may serve wine produced or manufactured on the premises for the purpose of sampling the wine.
 - 3. A representative of the licensed domestic farm winery may consume small amounts of the products of the licensed domestic farm winery for the purpose of sampling the wine.

4. A licensed domestic farm winery may sell to a consumer physically present on the premises wine produced or manufactured on the premises in the original container for consumption on or off the premises.
5. A licensed domestic farm winery may purchase and sell wine produced by another licensed domestic farm winery only if the retail sale is to a consumer physically present on the premises of the domestic farm winery.
6. If the licensed domestic farm winery is not otherwise engaged in the business of a distiller, vintner, brewer, rectifier, blender or other producer of spirituous liquor in any jurisdiction, the licensed domestic farm winery may hold licenses prescribed in section 4-209, subsection b, paragraphs 7, 10 and 12 on the licensed domestic farm winery premises or other retail premises. The licensed domestic farm winery shall purchase all spirituous liquor for sale at the other on-sale retail premises from wholesalers who are licensed in this state, except that a licensed domestic farm winery may:
 - (a) Purchase wine from other domestic farm wineries pursuant to paragraph 7 of this subsection.
 - (b) Make deliveries of the wine that the domestic farm winery produces to the domestic farm winery's own commonly controlled retail licensed premises.
7. A licensed domestic farm winery that produces not more than twenty thousand gallons of wine in a calendar year may make sales and deliveries of the wine that the licensed domestic farm winery produces to on-sale and off-sale retailers.
8. Notwithstanding section 4-244, paragraphs 3 and 7, an on-sale or off-sale retailer may purchase and accept delivery of wine from a licensed domestic farm winery pursuant to paragraph 7 of this subsection.
9. A licensed domestic farm winery that produces not more than twenty thousand gallons of wine in a calendar year may make sales and deliveries of wine that the licensed domestic farm winery produces to consumers off of the licensed premises and that is ordered by telephone, mail, fax or catalogue, through the internet or by other means if all of the following apply:
 - (a) The purchaser of the wine provided the licensed domestic farm winery with verification of the purchaser's legal age to purchase alcohol.

- (b) The shipping container in which the wine is shipped is marked to require the signature on delivery of an adult who is of legal age to purchase alcohol and delivery confirmation.
- (c) The wine is for personal use only and not for resale.
- (d) The wine is shipped to a residential or business address other than a premises licensed pursuant to this title.
- (e) The purchaser could have carried the wine lawfully into or within this state.
- (f) The delivery is made by a person who is at least twenty-one years of age.
- (g) The domestic farm winery shall collect payment for the price of the spirituous liquor no later than at the time of delivery.

10. A licensed domestic farm winery may make sales and deliveries as expressly permitted by sections 4-203.03, 4-203.04 and 4-244.04.

- D. The domestic farm winery is liable for any violation committed in connection with any sale or delivery of the wine. The rules adopted by the director pursuant to section 4-203, subsection j shall apply to the delivery of wine under subsection c, paragraph 9 of this section. An act or omission of any person who makes a sale or delivery of wine for a licensee under subsection c, paragraph 9 of this section is deemed to be an act or omission of the licensee for the purposes of section 4-210, subsection a, paragraph 9.
- E. A domestic farm winery that sells or delivers wine pursuant to this section shall:
 - 1. Pay to the department of revenue all luxury taxes imposed pursuant to title 42, chapter 3 and all transaction privilege or use taxes imposed pursuant to title 42, chapter 5.
 - 2. File all returns or reports required by law.
- F. A delivery of wine by a domestic farm winery to a purchaser in this state is a transaction deemed to have occurred in this state.
- G. The director shall adopt rules in order to administer this section.