

**NEW JERSEY'S OUT-OF-STATE WINERY LICENSE**  
**(Updated November 16, 2016)**

On January 9, 2012, P.L. 2011, c. 201 (Senate Bill 3172) was enacted, which created a new Out-of-State Winery license pursuant to N.J.S.A. 33:1-10.2e. As discussed more fully below, the holder of this license is permitted to engage in the direct shipment of wine to New Jersey residents. Additional privileges are available to allow the sale of wine product to licensed retail establishments and the establishment of Salesrooms (Tasting Rooms) in New Jersey. All of these privileges are subject to licensing and restrictions, as set forth below.

**OUTLINE OF NEW JERSEY REQUIREMENTS**

**I. Direct Ship Privilege to New Jersey Customers**

To be eligible to ship directly to New Jersey consumers, an Out-of-State winery:

1. Cannot produce more than 250,000 gallons of wine per year and cannot own, either in whole or in part, directly or indirectly, any interest in a winery that produces more than 250,000 gallons per year.
2. Is only permitted to ship products that they have manufactured.
3. Shall ensure that all products shipped/sold are brand registered in New Jersey.
4. May ship no more than 12 cases per year, per person (21 years of age or older) for personal consumption only.
5. Shall provide, when requested, invoices of sales for inspection within seven (7) days of request and retain those files for a minimum of three years.
6. Shall provide a copy of a current and valid winery license issued by another state.
7. Shall comply with all tax collection and remission requirements established by the New Jersey Department of Treasury, Division of Taxation on the delivery of alcoholic beverages pursuant to the "Alcoholic Beverage Tax Law."

**II. Wholesale Privilege to Sell to New Jersey Licensed Retailers**

1. An out-of-state winery may apply to sell and distribute its products at wholesale to licensed retail establishments by checking the box in the online application

“Exercise the wholesale privilege of selling to New Jersey retail licensees”.  
Note: The use of a common carrier for delivery is not permitted.

The **additional fee** for this privilege is as follows:

Manufacturer of >150,000 and <250,000 gallons	\$1,000.00
Manufacturer of >100,000 and <150,000 gallons	\$ 500.00
Manufacturer of >50,000 and < 100,000 gallons	\$ 250.00
Manufacturer of <50,000 gallons	\$ 100.00

2. Applicant is required to file a CPL (Current Price List) with the ABC on a monthly basis.
3. Applicant may solicit or allow members of the company to solicit orders or conduct promotional activity. If any person other than corporate/partnership members conduct this activity, that person must apply for and obtain a Solicitor's Permit through the ABC online licensing system.

### **III. Salesrooms/Outlets in New Jersey**

1. The Applicant must first apply for and be approved as an Out-of-State winery.
2. This privilege allows for sampling and consumption on or off the premises.
3. Each licensee is limited to 16 salesrooms.
4. The fee for each salesroom is \$250.00. A separate application for each site will be required and will be available for submission through the ABC Online Licensing System. Salesrooms will be issued as permits.

### **PROCEDURE FOR SUBMITTING AN APPLICATION FOR AN OUT OF STATE WINERY LICENSE:**

The following steps must be taken before the Licensing Bureau of the Division of Alcoholic Beverage Control may issue an Out-of-State Winery license. Please utilize the attached checklist to ensure a proper and complete application is submitted.

#### **Step 1: New Jersey Division of Taxation**

All applicants must contact the Division of Taxation prior to the issuance of an Out-of-State Winery License. This will include registering your business in New Jersey. (<https://www.state.nj.us/treasury/revenue/dcr/filing/leadpg.htm>) Additional information

regarding Division of Taxation requirements can be found on their website:  
(<http://www.state.nj.us/treasury/taxation/os-wine-sales.shtml>)

### **Step 2: Beverage Tax Bond**

Beverage Tax Bonds are required and <sup>must</sup> be purchased from a New Jersey approved licensed bonding company. The bonding company must submit paperwork to Ms. Wendy Ritardi at the Alcoholic Beverage Tax Bond Unit, NJ DORES, 33 West State Street – 5<sup>th</sup> Floor, P.O. Box 303, Trenton, New Jersey 08625. For further information on establishing the bond amount required, please contact Mr. James Stein at 609-633-7068.

**The Division of Alcoholic Beverage Control has no authority to issue a license to an applicant who has not obtained an approved beverage tax bond.**

### **Step 3: Application and License Fee**

The Division of ABC must receive a license application and fee submitted through the ABC Online Licensing System: <http://www.nj.gov/oag/abc/posse/index.html>. The fee for this license is \$938 per year.

### **Step 3A: Certification of Qualification**

Each individual identified on the Corporate Information Form (with a percentage of financial interest of 10% or greater in the company of the applicant must submit a Certification of Qualification, which sets forth the individual's eligibility for the license under New Jersey law. The Certification Form (attached) must be signed, attesting to the information provided. The original form may be reproduced and the completed form(s) must accompany the license application.

### **Step 3B: Method of Operation Affidavit**

A notarized statement must be submitted with the Application stating the nature of the business activity in the State of New Jersey.

Please state whether your business plan will include:

1. Direct shipping to New Jersey customers; and/or,
2. Sale of product to licensed retail establishments. (You will be subject to the additional fee detailed above); and/or,
3. Establishment of salesrooms in New Jersey. (You will be subject to the additional fee detailed above, as well as an approval process for the specific location)

4. State the applicant's annual production in gallons.
5. State that the products to be shipped to New Jersey are manufactured by the applicant.
6. Confirm that the applicant and/or those individuals named in the Corporate Structure of the Application do NOT have any financial interest in any other winery producing in excess of 250,000 gallons annually.

**Please use the checklist on the following page to ensure that a proper and complete application is submitted.**

## **APPLICANT CHECKLIST**

To obtain an Out-of-State Winery license the applicant must submit an application through the ABC Online Licensing System: <http://www.nj.gov/oag/abc/posse/index.html>

- Online Application, including license fee.

### **The following documents must be uploaded to the online application:**

- Complete Corporate Information (Form CISI) and Corporate Structure Form (Form CSSI).
- Certification of Qualification. (Necessary for owners with 10% or greater ownership)
- Method of Operation Affidavit describing the proposed business and method of operation. Please see step 3B for complete instructions.
- Certificate of New Jersey Business Registration.  
<https://www.state.nj.us/treasury/revenue/dcr/filing/leadpg.htm>
- Proof of Beverage Tax Bond issued by New Jersey Division of Revenue. Please see Step #2 for complete instructions.
- Copy of all TTB Permits issued to applicant.
- Copy of current and valid winery/wine growers license, as well as other direct ship permits issued to the applicant by other states. You may provide a listing of other direct ship permits including the state and the permit number.
- TTB reporting documents reflecting the annual manufacturing volume.
- Certificate of New Jersey Sales Tax Authority (Issued by NJ Division of Taxation).
- Listing of all brands (along with NJ registration number) produced by applicant that will be shipped into New Jersey. If brands need to be registered in NJ, you will need to register them once the license has been issued.



## NJ DIVISION OF ALCOHOLIC BEVERAGE CONTROL

### Out-of-State winery license

#### **N.J.S.A. 33:1-10 2e.**

Provided that the applicant does not produce more than 250,000 gallons of wine per year, the holder of a valid winery license issued in any other state may make application to the director for this license. The holder of this license shall have the right to sell and distribute his products to wholesalers licensed in accordance with this chapter and to sell such wine at retail in original packages in 16 salesrooms apart from the winery premises for consumption on or off the premises at a fee of \$250 for each salesroom. Licensees shall not jointly control and operate salesrooms. The annual fee for this license shall be \$938. A copy of a current license issued by another state shall accompany the application. The holder of this license also shall have the right to sell and distribute his products to retailers licensed in accordance with this chapter, except that the holder of this license shall not use a common carrier for such distribution. The fee for this additional privilege shall be graduated as follows: a licensee who manufactures more than 150,000 gallons, but not in excess of 250,000 gallons per annum, \$1,000; a licensee who manufactures more than 100,000 gallons, but not in excess of 150,000 gallons per annum, \$500; a licensee who manufactures more than 50,000 gallons, but not in excess of 100,000 gallons per annum, \$250; a licensee who manufactures 50,000 gallons or less per annum, \$100. Additionally, the holder of this license may ship not more than 12 cases of wine per year, subject to regulation, to any person within or without this State over 21 years of age for personal consumption and not for resale. A case of wine shall not exceed a maximum of nine liters. A copy of the original invoice shall be available for inspection by persons authorized to enforce the alcoholic beverage laws of this State for a minimum period of three years at the licensed premises of the winery.

The licensee shall collect from the customer the tax due on the sale pursuant to the "Sales and Use Tax Act," P.L. 1966, c. 30 (C.54:32B-1 et seq.) and shall pay the tax due on the delivery of alcoholic beverages pursuant to the "Alcoholic beverage tax law," R.S.54:41-1 et seq. The Director of the Division of Taxation in the Department of the Treasury shall promulgate such rules and regulations necessary to effectuate the provisions of this paragraph, and may provide by regulation for the co-administration of the tax due on the delivery of alcoholic beverages pursuant to the "Alcoholic beverage tax law," R.S.54-41-1 et seq. with the administration of the tax due on the sale pursuant to the "Sales and Use Tax Act," P.L.1966, c. 30 (C.54-32B-1 et seq.).

A holder of this license who produces not more than 250,000 gallons per year shall not own, either in whole or in part, or hold, either directly or indirectly, any interest in a winery that produces more than 250,000 gallons per year.