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Commissioner

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## NOTICE

### Tax Guidance for:

All Businesses who are Issued an Alcoholic Beverage Delivery License  
Wineries and Other Entities Holding Wine Festivals  
Wine Manufacturers Who Obtain a Direct Wine Shipper's License  
Small Farm Wineries Making Direct Sales to Customers

Act 2021-188 amends §§28-1-4, 28-3-1, 28-3A-13, 28-3A-14 and 28-3A-23, Code of Ala. 1975, providing for the issuance of alcoholic beverage delivery licenses by the Alabama Alcoholic Beverage Control Board. A delivery service license issued by the Alabama Alcoholic Beverage Control Board authorizes the licensee, the licensee's employees, or independent contractors under a contractual or business arrangement with the licensee to transport and deliver alcoholic beverages to an individual in the state who is at least 21 years of age. A restaurant licensed to sell beer, wine, or spirits for on-premises consumption may apply for and be issued a delivery service license authorizing delivery of beer, wine, or spirits from the retailer's premises within a 75 miles radius, with the purchase of a meal. If the delivery service licensee is a retail licensee, any order for sale and delivery of beer, wine, or spirits received at the licensee's primary place of business or through a third party licensee or facilitator shall be construed as a sale made at the licensee's primary place of business.

Act 2021-287 adds §28-3A-20.4 to the Code of Ala. 1975, which provides for the licensure for wine festivals and wine festival participants by the Alcoholic Beverage Control Board beginning July 1, 2021. Each wine festival participant licensee shall collect and remit all state and local sales and use taxes and all excise and other taxes due on the sale of wine by the licensee to customers at retail.

Act 2021-419 provides that the Alabama Alcoholic Beverage Control Board shall allow certain wine manufacturers to obtain a direct wine shipper's license to allow the licensee to ship limited quantities of wine to Alabama residents for personal use in limited circumstances. Whether located within or outside of the State of Alabama, the licensee shall collect and properly remit all state and local sales or use taxes and excise taxes due on sales to Alabama residents.

Act 2021-440 provides that certain small farm wineries are allowed to sell and transport their table wines directly to licensed retailers and to sell directly to consumers under certain conditions. These wineries are required to make reports to the Alcoholic Beverage Control Board and to collect and remit all state and local sales or use taxes and excise taxes due on the sales of table wine to consumers.

Wineries, wine manufacturers, and wine festivals and participants may apply for the appropriate sales tax account on the My Alabama Taxes (MAT) portal at <https://myalabamataxes.alabama.gov>. If you should have any questions concerning this notice, please contact the Sales and Use Tax Division by telephone at 334-242-1490 or by mail at Sales and Use Tax Division, P.O. Box 327710, Montgomery, AL 36132-7710.