

Chapter 314-23 WAC

SPIRITS DISTRIBUTORS AND SPIRITS CERTIFICATE OF APPROVAL LICENSES

NEW SECTION

WAC 314-23-001 What is a spirits distributor license? (1) A spirits distributor licensee may not commence sales until March 1, 2012. A spirits distributor may:

(a) Sell spirits purchased from manufacturers, distillers, or suppliers to spirits retailers;

(b) Sell spirits to other spirits distributors; and

(c) Export spirits from the state of Washington.

(2) The price of spirits sold to retailers may not be below acquisition cost.

NEW SECTION

WAC 314-23-005 What are the fees for a spirits distributor license? (1) The holder of a spirits distributor license must pay to the board a monthly license issuance fee on forms provided by the board, as follows:

(a) Ten percent of the total revenue from all sales of spirits to retail licensees made during the month for which the fee is due for the first two years of licensure; and

(b) Five percent of the total revenue from all sales of spirits to retail licensees made during the month for which the fee is due for the third year of licensure and every year thereafter.

(c) The license fee is only calculated on sales of items which the licensee was the first spirits distributor in the state to have received:

(i) In the case of spirits manufactured in the state, from the distiller; or

(ii) In the case of spirits manufactured outside the state, from an authorized out-of-state supplier.

(2) The annual fee for a spirits distributor license is one thousand three hundred twenty dollars.

NEW SECTION

WAC 314-23-020 What are the requirements for a spirits distributor license? The requirements for a spirits distributor license include, but are not limited to:

- (1) A copy of all permits required by the federal government;
- (2) The physical location of the warehouse. There is no minimum facility size or capacity;
- (3) Submitting an acknowledgment form indicating the applicant has a security plan which addresses:
 - (a) Inventory management;
 - (b) Employee training; and
 - (c) Physical security of spirits product with respect to preventing the theft of product.

NEW SECTION

WAC 314-23-030 What is a spirits certificate of approval license? (1) A spirits certificate of approval licensee may not commence sales until March 1, 2012. A spirits certificate of approval license is issued to any of the following spirits suppliers located outside of the state of Washington but within the United States:

- (a) A spirits manufacturer;
 - (b) A spirits importer; or
 - (c) A bottler of spirits.
- (2) A holder of a spirits certificate of approval may act as a distributor of spirits they are entitled to import into the state by selling directly to distributors or importers licensed in Washington state. The fee for a certificate of approval is two hundred dollars per year.

(3) A certificate of approval holder must obtain an endorsement to the certificate of approval that allows the shipment of spirits the holder is entitled to import into the state directly to liquor licensed retailers. The fee for this endorsement is one hundred dollars per year and is in addition to the fee for the certificate of approval license. The holder of a certificate of approval license that sells directly to liquor licensed retailers must:

- (a) Report to the board monthly, on forms provided by the board, the amount of all sales of spirits to licensed retailers.
- (b) Pay to the board a fee of ten percent of the total revenue from all sales of spirits to retail licensees made during the month for which the fee is due for the first two years of licensure.
- (c) Pay to the board five percent of the total revenue from all sales of spirits to retail licensees made during the month for which the fee is due for the third year of licensure and every year thereafter.

(4) An authorized representative for spirits produced in the United States but outside of Washington state may obtain an authorized representative certificate of approval license which allows the holder to ship spirits to spirits distributors, or spirits importers located in Washington state. The fee for an authorized representative certificate of approval for spirits is two hundred dollars per year.

(5) An authorized representative for spirits produced outside of the United States may ship spirits to licensed spirits distributors, or spirits importers located in Washington state. The fee for an authorized representative certificate of approval for foreign spirits is two hundred dollars per year.

NEW SECTION

WAC 314-23-040 What are the requirements for a certificate of approval license? The following documents are required to obtain a certificate of approval license:

- (1) Copies of all permits required by the federal government;
- (2) Copies of all state licenses and permits required by the state in which your operation is located; and
- (3) Licensing documents as determined by the board.