



Bill Title: Bonded and Non-bonded Spirits Warehouse License

Bill Number: ESB 5834

Effective Date: July 23, 2017

New Section: RCW 66.24

Summary:

Creates a new license for bonded and non-bonded spirits warehouses.

- This license authorizes:
 - The storage and handling of bonded bulk spirits;
 - The storage of bottled spirits;
 - The storage of tax-paid spirits not in bond.
- The fee for the license is \$100 per year.
- The licensee must designate which sections of the warehouse that are bonded and non-bonded with a physical separation between the spaces.
 - Only spirits in bond may be stored in the bonded sections of the warehouse.
 - Only spirits that have been removed from bond tax-paid may be stored in non-bonded sections of the warehouse.
 - There must be a plan for tracking spirits being stored in the warehouses to ensure compliance with relevant bonding and tax obligations.
- Spirits in bond may be removed from a bonded spirits warehouse for purposes of being:
 - Exported from the state;
 - Returned to a distillery or licensed spirits warehouse; or
 - Transferred to a distillery, licensed spirits warehouse, or bottling and packaging facility.
- Bottled spirits that are being removed from a spirits warehouse tax-paid may be:
 - Transferred back the distillery that produced them;
 - Shipped to a licensed spirits distributor;
 - Shipped to a licensed Washington spirits retailer;
 - Exported from the state; or
 - Removed for direct shipping to a consumer by a distillery.
- The handling of bottled spirits that have been removed from bond tax-paid, and that reside in the spirits warehouse, includes the following:
 - Packaging and repackaging services;
 - Bottle labeling services;

- Creating baskets or variety packs that may or may not include non-spirits products; and
- Picking, packing, and shipping spirits orders on behalf of a licensed distillery direct to consumers.
- A spirits warehouse must be physically secure, zoned for the intended use, and physically separated from any other use.
- The operator or licensee operating a spirits warehouse must submit a monthly report on the movement of spirits.

How to Apply:

Complete a Business Application and Non-Retail Liquor Control Board Addendum. Information can be found on the WSLCB website at <http://lcb.wa.gov/licensing/apply-liquor-license>.

When the WSLCB Licensing Division receives the application:

- A liquor license investigator will be assigned to the application.
- A notice will be sent to the local authority for comment (20 day period).
- A public posting notice will be sent to the applicant to be posted at the retail premises (must be posted for 14 days).
- The investigator will contact the applicant to conduct an interview and send the applicant a request for the documents needed to process the application (the applicant has 15 days to return documents). The applicant will also be directed to complete a Licensee Briefing and schedule a final inspection.
- When all documents are received, the licensee briefing, final inspection and the investigation are complete and approved, the applicant will receive a letter from the WSLCB Licensing Division with approval of the liquor license.

Contact Information

For specific questions, please contact Customer Service at (360) 664-1600 or lcb.wa.gov.