

House Bill 3219

Sponsored by Representative GELSER

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Exempts certain small vintners from payment of wine privilege tax by expanding exemption to include calendar years in which vintner engages only in wine production activities other than fermentation.

Applies to wine tax reporting periods beginning on or after January 1, 2012.

A BILL FOR AN ACT

1
2 Relating to small vintner wine tax exemption; creating new provisions; and amending ORS 473.050.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 473.050 is amended to read:

5 473.050. In computing any privilege tax imposed by ORS 473.030 or 473.035:

6 (1) No malt beverage, cider or wine is subject to tax more than once.

7 (2) No tax shall be levied, collected or imposed upon any malt beverage, cider or wine sold to
8 the Oregon Liquor Control Commission or exported from the state.

9 (3) No tax shall be levied, collected or imposed upon any malt beverage given away and con-
10 sumed on the licensed premises of a brewery licensee, or sold to or by a voluntary nonincorporated
11 organization of army, air corps or navy personnel operating a place for the sale of goods pursuant
12 to regulations promulgated by the proper authority of each such service.

13 (4) No tax shall be levied, collected or imposed upon any malt beverage, cider or wine deter-
14 mined by the commission to be unfit for human consumption or unsalable.

15 (5) No tax shall be levied, collected or imposed upon the first 40,000 gallons, or 151,000 liters,
16 of wine sold annually in Oregon from a United States manufacturer of wines producing less than
17 100,000 gallons, or 379,000 liters, annually, **including a manufacturer that during the calendar**
18 **year in which it releases wines from bond does not produce wine by fermentation, if the**
19 **manufacturer during the calendar year:**

20 (a) **Is compliant with the bonding requirements of subchapter F, chapter 51 of the**
21 **Internal Revenue Code;**

22 (b) **Holds a current license under ORS 471.403; and**

23 (c) **Actively engages in blending, bottling, topping or other regular winemaking activities,**
24 **other than fermentation, required to be reported to the Alcohol and Tobacco Tax and Trade**
25 **Bureau in the United States Department of the Treasury.**

26 **SECTION 2.** The amendments to ORS 473.050 by section 1 of this 2011 Act apply to wine
27 tax reporting periods beginning on or after January 1, 2012.

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NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.