

Domestic Winery License



What is a domestic winery license?

How do I get one?

What can I do with it?

What is a domestic winery license?

A domestic winery license allows a winery located in Montana to import in bulk, produce, bottle, blend, store, transport, or export wine it produces. A domestic winery may sell its wine at wholesale to wine distributors, at retail at the winery directly to the consumer for consumption on or off the premises, and provide samples on its premises, with or without charge. It may also sell to licensed retailers. It may sell and ship to consumers if it obtains a direct shipment endorsement.

The following definitions apply:

Hard Cider means an alcoholic beverage that is made from the alcoholic fermentation of the juices of apples or pears and that contains not less than 0.5 percent of alcohol by volume and not more than 6.9 percent of alcohol by volume, including but not limited to flavored, sparkling, or carbonated cider.

Table wine means wine that contains not more than 16 percent alcohol by volume and includes cider.

Wine means any wine that contains more than 16 percent alcohol by volume. This is considered liquor and must be shipped through the Montana state liquor warehouse.



Where do I start?

You may apply for a domestic winery license directly from the ABCD. You do not need to purchase a license from an existing licensee unless you are buying the business and the wine inventory.

You can file your application electronically at <https://tap.dor.mt.gov> with the Department of Revenue (DOR) Alcoholic Beverage Control Division (ABCD).

What are the associated costs?

- One-time domestic winery license processing fee: \$200.
- Annual domestic winery license: \$400.
- Annual domestic winery direct shipment endorsement fee: \$50 (when shipping directly to consumer).
- Fingerprint card fee for each individual with 10 percent or more ownership interest in the business. Price subject to change.



What do I need to apply?

When applying for a domestic winery license, you must provide the following general information:

- A completed application for a domestic winery license.
- Alcohol and Tobacco Tax and Trade Bureau (TTB) Federal Basic Permit to manufacture wine.
- All wine products in Montana will need label approvals through ABCD. TTB Certificate of Label Approvals (COLAs) will not delay the processing of your application; however, your products cannot be sold and distributed in Montana without ABCD label approvals. COLA or exemptions after approval from the TTB for each brand and variety of table wine over 7 percent alcohol content by volume to be manufactured to ABCD online. For wine products under 7 percent, the department needs a copy of each approved label submitted online to ABCD. More information regarding TTB COLA can be found at www.TTB.gov.
- A completed ABCD authorization to disclose tax information form for each individual with ownership over 10 percent and each entity for the purchaser of the license and the seller of the license, if applicable. The form is available at MTRevenue.gov.
- A floor plan that includes the business name, physical address, storage area, sample room (if applicable), manufacturing area, external dimensions, entry ways and any patio or deck area. Do not send in the original blueprints, only an 8 ½-by-11-inch size copy of the floor plan.

When applying for a domestic winery license, you must provide the following financial information showing the “intent to purchase” the alcoholic beverage license and/or building, if applicable:

NOTE: You cannot exchange funds for the alcoholic beverage license beyond earnest money 5 percent of the license price without ABCD approval.

- Copies of any loan agreements, contracts, notes and all related security agreements, guarantees and trust indentures.
- If you used funds other than from a loan you must provide the last six months of bank statements from the bank account you are using to pay for the alcoholic beverage license, building, and/or start-up operating funds for the business.
- Other sources of funding. You must file the non-institutional loan (NIL) form with the application if any lenders or other sources of financing are not state or federally regulated financial institutions, including gifting statements. The form is available at [MTRevenue.gov](https://mtrevenue.gov).
 - Authorization for examination and release of information for each NIL.
 - Personal criminal history statement form for each NIL. The form is available at [MTRevenue.gov](https://mtrevenue.gov).
 - Two fingerprint cards and fees for each NIL.

- Copies of lease, rent, purchase options, financing agreements or other evidence showing possessory interest in the building.
- Financial statements, such as a balance sheet, income statement or tax return for the business. If it is a new business projected balance sheet and income statements area acceptable.
- Copy of business's bank signature card.
- Purchase/transfer documents for the alcoholic beverage license, such as a buy/sell agreement, contract for deed, warranty deed and bill of sale, if applicable.



When applying for a domestic winery license, you must provide the following ownership information (based on entity type applying), including:

- Copy of partnership agreement documentation.
- Copy of Articles of Incorporation and amendments or addenda.
- Copy of Bylaws and amendments or addenda.
- Copy of Certificate of Fact (for LLCs and LLPs).
- LLC organizational information.
- Copy of stock certificates, corporate minutes and attachments.
- Stock ledger or register.
- Copy of Certificate of Existence (for in-state corporations).
- Copy of authority to conduct business in Montana (for out-of-state corporations).
- Copy of documentation from the Secretary of State verifying that the assumed business name (ABN) has been approved.
- Copy of Federal Employer Identification Number (FEIN) verification from IRS.
- Completed personal history statement form for each individual with 10 percent or more ownership interest in the business. The form is available at [MTRevenue.gov](https://mtrevenue.gov).
- Two fingerprint cards and fees for each individual with 10 percent or more ownership interest in the business.

When applying for a domestic winery license, you must provide the following management information, including:

- Location Manager Form. The form is available at [MTRevenue.gov](https://mtrrevenue.gov).
- Personal criminal history statement form for each location manager. The form is available at [MTRevenue.gov](https://mtrrevenue.gov).
- Two fingerprint cards and fees for each location manager.

Miscellaneous information, including:

- Agreements with licensed table wine distributor who will distribute your products, if applicable.

What are the steps in the application process?

- The application process takes on average 90 days and begins when DOR receives a complete application package and all supporting documents.
- Application is reviewed by the DOR ABCD.
- ABCD sends a letter to the applicant requesting any additional documents needed.
- ABCD notifies local agencies with jurisdiction over the area (law enforcement, building department, fire department, health department, etc.) of the application in process. They have 14 days to advise the department if the applicant and the premises meet all laws and ordinances.

- Prior to final approval of any new location, it is the responsibility of the applicant to contact local building, health and fire code officials to schedule inspections. ABCD will not approve an application until:
 - Local officials have given notice that the licensed premises meet their requirements.
 - DOJ has conducted a background check of the applicant(s) and verified the location meets suitability requirements.
- After the completion of the audit and investigation, ABCD conducts a final review of the application. If necessary, any additional documents will be requested.

What taxes does a domestic winery pay?

Wineries are required to electronically file, on or before the 15th day of each month, a tax return reporting the amount of wine that it shipped in the state during the preceding month. Each quarter, the winery must report to the department the amount of wine manufactured or imported by the winery in the previous quarter and the winery's inventory.

Wineries with a direct shipment endorsement: File WIT and WIT 3

Sales Made To	Tax Rate Per Liter
Retailers	\$0.27
Sacramental Wine Licenses	\$0.27
Agency Liquor Stores	\$0.28

You must file your return electronically at <https://tap.dor.mt.gov> even if you had no sales.

If you need help filing any of these forms, call the ABCD Liquor Auditor at (406) 444-2909.

What are the rules for a domestic winery license?

- All licensees, their agents, and employees must conduct the licensed premises in compliance with all:
 - Alcohol related provisions of the laws of Montana and the United States.
 - County and city or town ordinances.
 - Indian alcohol beverage laws applicable within the areas of Indian country.
 - Rules of the department.

A domestic winery licensee may:

- Sell and deliver wine produced by the winery directly to licensed retailers if the winery uses its own equipment, trucks and employees to deliver the wine and the wine delivered does not exceed 4,500 cases per year.
- Use a common carrier to deliver wine to a licensed retailer, limited to three cases per day for each licensed retailer. The annual shipments may not exceed 4,500 cases.
- Use a common carrier to deliver wine to licensed table wine distributors if the boxes are marked with the words: "Wine shipment from Montana Licensed Winery to Montana Licensee." The licensed table wine distributor must be in good standing and the wine distributor, its employee, or agent must sign for receipt of the product.
- Sell wine it produces at the winery directly to the consumer for consumption on the premises or provide samples without charge of wine it produces for consumption at the winery.

- Sell or serve wine between the hours of 8 a.m. and 2 a.m.
- Use a licensed table wine distributor to deliver wine to a licensed retailer. The table wine distributor is responsible for the tax reporting requirements of shipments to licensed retailers. The winery and a table wine distributor must have a written agreement of distributorship on file with the department prior to shipment.
- Sell wine it produces for off premises consumption directly to the consumer.
- Apply for a winery special permit to sell its wine at a special event.
- Have a wine club and ship to customers if the winery holds a direct shipment endorsement. The winery may ship to consumers outside of Montana but must adhere to the receiving states laws in this regard.
- Obtain a direct shipment endorsement from ABCD for \$50 to be able to deliver up to 18 9-liter cases of table wine annually per individual at least 21 years of age in Montana for personal use.

A domestic winery license that produces sacramental wine may:

- Distribute its wine to licensed table wine distributors who will then distribute to retailers for purchase by priests, rabbis, pastors, ministers, or officials of other established religious organizations.

A domestic winery licensee cannot:

- Possess a financial or ownership interest in a Montana retail license, agency liquor store or a wholesale distributor license.

A domestic winery licensee must:

- Give law enforcement access to their licensed premises at all times.
- Ensure that all employees serving open-container alcoholic beverage are 18 years or older.
- Notify the department when there is a change in manager within 30 days of hire for the location.
- Notify the department regarding most changes to the existing license before the change occurs. Contact your ABCD Licensing Specialist for more information.
- Ensure that all employees who serve or sell alcoholic beverages and their immediate supervisors:
 - Obtain state-approved training (Responsible Alcohol Sales and Service training [RASS]) within 60 days of hire.
 - Complete renewal training every three years.

You can find a list of approved training providers at www.AlcoholServerTraining.mt.gov.

Miscellaneous:

- Alterations
 - If you decide to remodel your establishment, you need to send ABCD an alteration request form along with a copy of the existing floor plan and a proposed floor plan showing the alterations before starting the alteration. The form is available at MTRevenue.gov.
 - Once the department reviews and approves the request, you can begin the alteration without it affecting your license. You can request to have

your license placed on a non-use status while under construction. You cannot use altered areas until the department has approved them and they have passed building, health, fire, and DOJ premises inspections.

- **Providing Samples**

- You may host a sampling where you pour and serve wine samples to licensed on-premises retailers and their employees only for the following purposes:
 - To promote your product.
 - To negotiate a sale.
 - To determine the quality and character of a product.
- Sampling events must be held either at a licensed on-premises retail location or at a location catered by an on-premises retail licensee. The winery may provide any products from their inventory for this event if the product falls into the category of a sample (e.g., not purchased by a retailer within the last 12 months and offered in limited quantities).
- All product samples must be removed from the retail premises at the end of the event. If the winery wishes to have products available at the event that do not fall into the category of a sample (e.g., products that are regularly available at the retail establishment), they must buy the product from the retailer at the ordinary retail price.



Department of Revenue

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