



Excise 21

Shipment of Wine to Personal Consumers in Colorado

PURPOSE

This FYI explains direct shipments of wine to personal consumers within Colorado.

APPLICATION PROCEDURES

To apply for a Winery Direct Shipper's Permit, you must submit a completed Winery Direct Shippers Permit Application (DR 8475) to the Liquor Enforcement Division. Contact the Liquor Enforcement Division at (303) 205-2300 for more information.

GENERAL INFORMATION

The holder of a Winery Direct Shipper's Permit operates a winery located in the United States and may sell and deliver wine that is produced or bottled by the permittee to a personal consumer located in Colorado. The wine must be for personal consumption only and not for resale or other commercial purposes.

"Personal Consumer" means an individual who is at least twenty-one years of age, does not hold an alcohol beverage license issued in Colorado and intends to use wine purchased for personal consumption only and not for resale or other commercial purposes. The wine purchased may not be delivered to any person other than: 1) The person who purchased the wine; 2) A recipient designated in advance by such purchaser; 3) The purchaser and/or recipient must be twenty-one years of age or older and must present valid proof of identity and age and personally sign a receipt acknowledging delivery of the package.

TAX RATES

- Colorado vinous liquor (wine) tax rate is \$.0733 per liter.
- The Hard cider tax rate is \$.08 per gallon.

SURCHARGE RATES

Colorado imposes a Wine Development Fee of \$.01 (one cent) per liter on all vinous liquors (wines) shipped to personal consumers in Colorado.

FILING REQUIREMENTS

The Colorado Department of Revenue will mail a Monthly Report of Excise Tax for Winery-Shipper Permittees (DR 0448) to out-of-state wineries each month. The following information will be preprinted: licensee name, "DBA" or trade name, address, and account number. The return and payment are to be filed on or before the 20th day of the month following the month in which such wine is sold in this state. Round to the nearest dollar. For example, if the amount due is under \$.50, round down, and if the dollar amount is \$.51 and above, round up to \$1. Form DR 0448 is also available and may be downloaded from the department's Web site at www.TaxColorado.com. A return must be filed even if no tax is due for that month.

Colorado law requires that state sales or use tax be paid on all non-exempt tangible personal property that is sold, leased, or delivered in Colorado for use, storage, distribution or consumption in the state. Wine is taxable in Colorado. For more information regarding sales and use tax, please see the following FYIs: Sales 5 and General 10.

RECORDKEEPING

Colorado law requires you to keep accurate and complete records of your sales of alcohol beverages for a period of three years.

PENALTIES AND INTEREST

If excise tax is not paid when due, penalty is charged and due at a rate of ten percent (10%) of the amount of tax due. Interest is charged on the total of tax and penalty at a rate of one percent (1%) per month or fraction of a month from the date the tax became due until paid.

Questions regarding liquor excise taxes? Contact the Excise Tax Accounting Section at (303) 205-8211 ext. 6848.

FYIs provide general information concerning a variety of Colorado tax topics in simple and straightforward language. Although the FYIs represent a good faith effort to provide accurate and complete tax information, the information is not binding on the Colorado Department of Revenue, nor does it replace, alter, or supersede Colorado law and regulations. The Executive Director, who by statute is the only person having the authority to bind the Department, has not formally reviewed, and/or approved these FYIs.