

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2004-135
SENATE BILL 74**

AN ACT CONCERNING WINERY PERMITS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-101(7) and G.S. 18B-101(15) read as rewritten:

"§ 18B-101. Definitions.

As used in this Chapter, unless the context requires otherwise:

- (7) "Fortified wine" means any wine made by fermentation from grapes, fruits, berries, rice, or honey, to which nothing has been added other than pure brandy made from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and which has an alcoholic content of not more than twenty-four percent (24%) alcohol by volume, wine, of more than sixteen percent (16%) and no more than twenty-four percent (24%) alcohol by volume, made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.
- (15) "Unfortified wine" means any wine that has an alcoholic content produced only by natural fermentation or by the addition of pure cane, beet, or dextrose sugar, of sixteen percent (16%) or less alcohol by volume made by fermentation from pure grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States."

SECTION 2. G.S. 18B-1101(6) and G.S. 18B-1101(7) read as rewritten, and a new G.S. 18B-1101(6a) is enacted, as follows:

"§ 18B-1101. Authorization of unfortified winery permit.

The holder of an unfortified winery permit may:

- (6) Sell the wine owned by the winery for on- or off-premise consumption at no more than three other locations in the State, upon obtaining the appropriate permit under G.S. ~~48B-1001~~; and ~~18B-1001~~;
- (6a) Receive, in closed containers, and sell at the winery, unfortified wine produced inside or outside North Carolina under contract with the winery. Such contract wine must have the winery's name clearly displayed on each bottle. The contract wine may be sold also at affiliated retail outlets of the winery physically located on or adjacent to the winery. Any wine received by a winery under this provision must be made available for sale by the winery to wholesalers for distribution to retailers, without discrimination, in the same manner as if the wine were being imported by the winery;

- (7) Obtain a wine wholesaler permit to sell, deliver, and ship at wholesale unfortified wine manufactured at the winery. The authorization of this subdivision applies only to a winery that annually sells, to persons other than exporters and nonresident wholesalers when the purchase is not for resale in this State, no more than ~~300,000~~ 100,000 gallons of unfortified wine manufactured by it at the winery."

...
SECTION 3. G.S. 105-113.68(a)(5) and G.S. 105-113.68(a)(12) read as rewritten:

"(a) Definitions. – As used in this Article, unless the context clearly requires otherwise:

- ...
(5) "~~Fortified wine" means a wine made by fermentation from grapes, fruits, berries, rice, or honey, to which nothing has been added other than pure brandy made from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and which has an alcoholic content of not more than twenty four percent (24%) alcohol by volume.~~ any wine, of more than sixteen percent (16%) and no more than twenty-four percent (24%) alcohol by volume, made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.

- ...
(12) "~~Unfortified wine" means wine that has an alcoholic content produced only by natural fermentation or by the addition of pure cane, beet, or dextrose sugar.~~ any wine of sixteen percent (16%) or less alcohol by volume made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and produced in accordance with the regulations of the United States."

SECTION 4. G.S. 18B-800(b) reads as rewritten:

"(b) Fortified Wine. – In addition to spirituous liquor, ABC stores may sell fortified wine. ABC stores may also sell wine products, irrespective of alcohol content by volume, which were classified as fortified wine by the ABC Commission prior to July 7, 2004."

SECTION 5. This act becomes effective October 1, 2004.
In the General Assembly read three times and ratified this the 17th day of
July, 2004.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 12:20 p.m. this 29th day of July, 2004