

123.173C Wine auction permit.

1. Upon application to the department and receipt of a wine auction permit, an authorized person may conduct a wine auction subject to the requirements of [this section](#).

2. The department shall not issue a wine auction permit to an applicant unless the applicant complies with the application requirements of [subsection 3](#), and unless all of the following requirements are met:

- a. The applicant is a person of good moral character.
- b. The applicant is a citizen of the state of Iowa or, if the applicant is a corporation, the applicant is authorized to do business in the state.
- c. The applicant does not hold a retail alcohol license.
- d. The premises where the applicant intends to use the permit constitutes a safe and proper place or building and conforms to all applicable laws, ordinances, resolutions, and health and fire regulations. A permittee shall not have or maintain any interior access to residential or sleeping quarters unless the director grants permission in the form of a living quarters permit.
- e. The applicant gives consent, as required by [section 123.30, subsection 1](#), for a person to enter upon the premises of the wine auction without a warrant during normal business hours to inspect for violations of the provisions of [this chapter](#) or ordinances and regulations that local authorities may adopt.

3. An application for a wine auction permit must include all of the following information and shall be submitted electronically, or in a manner prescribed by the director:

- a. The name and address of the applicant or, if the applicant is a corporation, limited liability company, or other legal entity, the names and addresses of all officers, directors, and persons owning or controlling ten percent or more of the capital stock of the entity and who have a financial interest, by way of loan, ownership, or otherwise, in the entity.
- b. The location and name of the owner of the premises where the applicant intends to conduct wine auctions and, if the applicant is not the owner of the premises, whether the applicant is the lessee of the premises.
- c. As required by the director, and in such form and containing such information as the director may require, a description of the premises where the applicant intends to conduct wine auctions, including a depiction of the premises, and, if applicable, the number of square feet of interior floor space of the retail sales area of the premises.
- d. Whether any person specified in paragraph “a” has ever been convicted of any offense against the laws of the United States, or any state, territory, or political subdivision thereof.
- e. Any other information as required by the director.

4. A wine auction conducted by a wine auction permittee must comply with the following requirements:

- a. A permittee shall not offer wines owned by the permittee at auction.
- b. A person, within or outside of the state, who desires to ship wine from a private collection to a wine auction permittee to be sold at auction shall do so through a holder of a wine carrier permit. The wine auction permittee shall ensure that each bottle of wine so acquired is permanently affixed with a label stating that the wine was acquired from a private collection.
- c. A permittee shall ensure that each container of wine to be sold at a wine auction is in the original, unopened container.
- d. A permittee is responsible for the storage of all wines that are to be offered at auction at the licensed premises, and for the subsequent shipment and delivery of all wines sold at auction to the purchasers of the wines. Shipment of wine pursuant to this paragraph shall only be done by a holder of a wine carrier permit.
- e. A permittee is responsible for the payment of all applicable taxes for wines sold at auction pursuant to [section 123.183](#).

5. Notwithstanding any other provision of [this chapter](#), a class “A” wine permittee or a retail alcohol licensee, not including a native wine manufacturer, may purchase wine offered at an auction pursuant to [this section](#) and may resell wine purchased at auction in accordance with the requirements of the licensee’s or permittee’s license or permit. The licensee or permittee shall ensure that each wine resold is in the original, unopened container, and, if

applicable, permanently affixed with a label stating that the wine was acquired from a private collection.

6. A wine auction permit is valid for a period of one year pursuant to [section 123.35, subsection 1](#). A wine auction permit shall allow the permittee to conduct no more than twenty-four wine auctions during the one-year period of the wine auction permit.

7. Any violation of the requirements of [this chapter](#) or rules adopted pursuant to [this chapter](#) shall subject the wine auction permit holder to the general penalties provided in [this chapter](#) and shall constitute grounds for imposition of a civil penalty, suspension of the permit, or revocation of the permit after notice and opportunity for a hearing pursuant to [section 123.39](#) and [chapter 17A](#).

[2024 Acts, ch 1088, §4](#)

Referred to in [§123.32](#), [123.171](#), [123.183](#), [123.184](#), [123.188](#)