

AN ACT

AUTHORIZING CHARITABLE AUCTIONS FOR ALCOHOLIC SPIRITS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 123.173A, Code 2013, is amended to read as follows:

**123.173A Charity beer, spirits, and wine auction permit.**

1. For purposes of this section, "*authorized nonprofit entity*" includes a nonprofit entity which has a principal office in the state, a nonprofit corporation organized under chapter 504, or a foreign corporation as defined in section 504.141, whose income is exempt from federal taxation under section 501(c) of the Internal Revenue Code.

2. An authorized nonprofit entity may, upon application to the division and receipt of a charity beer, spirits, and wine auction permit from the division, conduct a charity auction which includes beer, spirits, and wine. The application shall specify the date and time when the charity beer, spirits, and wine auction is to be conducted and the premises in this state where the charity beer, spirits, and wine auction is to be physically conducted. The applicant shall certify that the objective of the charity beer, spirits, and wine auction is to raise funds solely to be used for educational, religious, or charitable purposes and that the entire proceeds from the charity beer, spirits, and wine auction are to be expended for any of the purposes described in section 423.3, subsection 78.

3. An authorized nonprofit entity shall be eligible to receive only two charity beer, spirits, and wine auction permits during a calendar year and each charity beer, spirits, and wine auction permit shall be valid for a period not to exceed thirty-six consecutive hours.

4. The authorized nonprofit entity conducting the charity beer, spirits, and wine auction shall obtain the beer, spirits, and wine to be auctioned at the charity beer, spirits, and wine auction from an Iowa retail beer permittee, an Iowa retail liquor control licensee, or an Iowa retail wine permittee, or may receive donations of beer, spirits, or wine to be auctioned at the charity beer, spirits, and wine auction from persons who purchased the donated beer, spirits, or wine from an Iowa retail beer permittee, an Iowa retail liquor control licensee, an Iowa micro-distilled spirits permittee, or an Iowa retail wine permittee and who present a receipt documenting the purchase at the time the beer, spirits, or wine is donated. The authorized nonprofit entity conducting the charity beer, spirits, and wine auction shall retain a copy of the receipt for a period of one year from the date of the charity beer, spirits, and wine auction.

5. Persons shall be physically present at the charity beer, spirits, and wine auction to be eligible to bid on beer, spirits, and wine sold at the charity auction.

6. The beer, spirits, and wine sold at the charity beer, spirits, and wine auction shall be in original containers for consumption off of the premises where the charity beer, spirits, and wine auction is conducted. No other alcoholic beverage may be sold by the charity beer, spirits, and wine auction permittee at the charity beer, spirits, and wine auction. A purchaser of beer, spirits, or wine at a charity beer, spirits, and wine auction shall not take possession of the beer, spirits, or wine until the person is leaving the event. A purchaser of beer, spirits, or wine at a charity beer, spirits, and wine auction shall not open the container or consume or permit the consumption of the beer, spirits, or wine purchased on the premises where the charity beer, spirits, and wine auction is conducted. A purchaser of beer, spirits, or wine at a charity beer, spirits, and wine auction shall not resell the beer, spirits, or wine.

7. A liquor control licensee, beer permittee, micro-distilled spirits permittee, or wine permittee shall not purchase beer, spirits, or wine at a charity beer, spirits, and wine auction. The charity beer, spirits, and wine auction may be conducted on a premises for which a class "B" liquor control license or class "C" liquor control license has been issued, provided that the liquor control licensee does not participate in the charity beer, spirits, and wine auction, supply beer,

spirits, or wine to be auctioned at the charity beer, spirits, and wine auction, or receive any of the proceeds of the charity beer, spirits, and wine auction.

Sec. 2. Section 123.179, subsection 5, Code 2013, is amended to read as follows:

5. The fee for a charity beer, spirits, and wine auction permit is one hundred dollars.

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PAM JOCHUM  
President of the Senate

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KRAIG PAULSEN  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 380, Eighty-fifth General Assembly.

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MICHAEL E. MARSHALL  
Secretary of the Senate

Approved \_\_\_\_\_, 2013

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TERRY E. BRANSTAD  
Governor