

Senate Study Bill 1236

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON APPEL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing a special wine auction permit.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
3 TLSB 2294SC 83
4 ec/nh/5

PAG LIN

1 1 Section 1. NEW SECTION. 123.173A WINE AUCTION PERMIT.
1 2 1. A nonprofit entity domiciled in this state which is
1 3 exempt from federal income taxation pursuant to section
1 4 501(c)(3) of the Internal Revenue Code may, upon application
1 5 to the division and receipt of a special wine auction permit
1 6 from the division, conduct an auction which includes wine.
1 7 The application shall specify the date or dates and time or
1 8 times when, and the place where, the auction is to be
1 9 conducted and the applicant shall certify that the entire
1 10 proceeds of the auction are to be expended for any of the
1 11 purposes described in section 423.3, subsection 78.
1 12 2. A nonprofit entity shall be eligible to receive only
1 13 one wine auction permit as provided in this section during a
1 14 calendar year for a period not to exceed seventy-two
1 15 consecutive hours.
1 16 3. The nonprofit entity conducting the auction shall
1 17 purchase the wine to be auctioned from a class "B" wine
1 18 permittee or a class "B" or "C" native wine permittee or may
1 19 receive gifts of the wine to be auctioned. The wine sold at
1 20 the auction shall be in original containers for consumption
1 21 off of the premises where the auction is conducted and a
1 22 purchaser shall not consume the wine purchased on the premises
1 23 where the auction is conducted. A class "A" or "B" wine
1 24 permittee, a class "A", "B", or "C" native wine permittee, or
1 25 a liquor control licensee shall not purchase wine at the
1 26 auction. The auction may be conducted on a premise for which
1 27 a class "B" or "C" liquor control license has been issued
1 28 provided that the liquor control licensee does not participate
1 29 in the auction, supply wine to be sold at the auction, or
1 30 receive any of the proceeds of the auction.
1 31 Sec. 2. Section 123.179, Code 2009, is amended by adding
1 32 the following new subsection:
1 33 NEW SUBSECTION. 5. The fee for a special wine auction
1 34 permit is twenty-five dollars.

EXPLANATION

2 1 This bill establishes a special wine auction permit.
2 2 The bill allows a nonprofit entity domiciled in this state
2 3 to apply for a special wine auction permit from the alcoholic
2 4 beverages division which allows the nonprofit entity to
2 5 conduct an auction which includes wine. The bill allows a
2 6 nonprofit entity to conduct only one wine auction each
2 7 calendar year for a period of no more than 72 consecutive
2 8 hours. The bill provides that proceeds from the auction shall
2 9 be used for educational, religious, or charitable purposes.
2 10 The bill provides that wine to be auctioned shall be
2 11 obtained by gift or purchased from a class "B" wine permittee
2 12 or a class "B" or "C" native wine permittee. Wine auctioned
2 13 shall be in the original container and shall not be consumed
2 14 on the premises of where the auction is conducted. The bill
2 15 provides that a class "A" or "B" wine permittee, a class "A",
2 16 "B", or "C" native wine permittee, or a liquor control
2 17 licensee shall not purchase wine at the auction.
2 18 The bill provides that the fee for a special wine auction
2 19 permit is \$25.

2 20 LSB 2294SC 83
2 21 ec/nh/5