

**Senate Study Bill 3154 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON COMMERCE BILL BY  
CHAIRPERSON BROWN)

**A BILL FOR**

1 An Act providing for the direct shipment of beer and including  
2 effective date provisions.

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

1 Section 1. Section 123.32, subsection 1, paragraph b, Code  
2 2024, is amended by adding the following new subparagraph:

3 NEW SUBPARAGRAPH. (06) A beer direct shipper license as  
4 provided in section 123.147.

5 Sec. 2. Section 123.46A, subsection 5, Code 2024, is amended  
6 to read as follows:

7 5. Nothing in [this section](#) shall impact the direct shipment  
8 of beer as regulated by section 123.147 or the direct shipment  
9 of wine as regulated by [section 123.187](#).

10 Sec. 3. Section 123.136, subsection 1, Code 2024, is amended  
11 to read as follows:

12 1. In addition to the annual permit fee to be paid by  
13 all class "A" beer permittees under [this chapter](#) there shall  
14 be levied and collected from the permittees on all beer  
15 manufactured for sale or sold in this state at wholesale and  
16 on all beer imported into this state for sale at wholesale and  
17 sold in this state at wholesale, and from special class "A"  
18 beer permittees on all beer manufactured for consumption on the  
19 premises and on all beer sold at retail at the manufacturing  
20 premises for consumption off the premises pursuant to section  
21 123.130, subsection 4, a tax of five and eighty-nine hundredths  
22 dollars for every barrel containing thirty-one gallons, and at  
23 a like rate for any other quantity or for the fractional part  
24 of a barrel. A barrel tax shall also be levied and collected  
25 on the direct shipment of beer pursuant to section 123.147.

26 However, no tax shall be levied or collected on beer shipped  
27 outside this state by a class "A" beer permittee or special  
28 class "A" beer permittee or on beer sold to a class "A" beer  
29 permittee by a special class "A" beer permittee or another  
30 class "A" beer permittee.

31 Sec. 4. Section 123.137, Code 2024, is amended by adding the  
32 following new subsection:

33 NEW SUBSECTION. 1A. Each beer direct shipper license holder  
34 shall make a report under oath to the division electronically,  
35 or in a manner prescribed by the administrator, on or before

1 the tenth day of the calendar months of June and December,  
2 showing the exact number of barrels of beer and fractional  
3 parts of barrels sold and shipped pursuant to section 123.147  
4 during the preceding six-month calendar period. The report  
5 shall also state whatever reasonable additional information  
6 the administrator requires. The license holder at the time of  
7 filing this report shall pay to the division the amount of tax  
8 due at the rate fixed in section 123.136.

9       Sec. 5. NEW SECTION. **123.147 Direct shipment of beer —**  
10 **license and requirements.**

11       1. A beer manufacturer licensed or permitted pursuant to  
12 laws regulating alcoholic beverages in this state or another  
13 state may apply for a beer direct shipper permit, as provided  
14 in this section.

15       2. *a.* Only a beer manufacturer that holds a beer direct  
16 shipper license issued pursuant to this section shall sell beer  
17 at retail for direct shipment to any person within this state.  
18 This section shall not prohibit an authorized retail licensee  
19 from delivering beer pursuant to section 123.46A.

20       *b.* A beer manufacturer applying for a beer direct  
21 shipper license shall submit an application for the license  
22 electronically, or in a manner prescribed by the administrator,  
23 accompanied by a true copy of the manufacturer's current  
24 alcoholic beverage license or permit issued by the state  
25 where the manufacturer is primarily located and a copy of the  
26 manufacturer's basic permit issued by the alcohol and tobacco  
27 tax and trade bureau of the United States department of the  
28 treasury.

29       *c.* An application submitted pursuant to paragraph "b" shall  
30 be accompanied by a license fee in the amount of twenty-five  
31 dollars.

32       *d.* A license issued pursuant to this section may be  
33 renewed annually by submitting a renewal application with the  
34 administrator in a manner prescribed by the administrator,  
35 accompanied by the twenty-five-dollar license fee.

1 3. The direct shipment of beer pursuant to this  
2 section shall be subject to the following requirements and  
3 restrictions:

4 a. Beer shall only be shipped to a resident of this state  
5 who is at least twenty-one years of age, for the resident's  
6 personal use and consumption and not for resale.

7 b. Beer subject to direct shipping shall be properly  
8 registered with the federal alcohol and tobacco tax and trade  
9 bureau, and manufactured on the licensed premises of the beer  
10 direct shipper licensee.

11 c. All containers of beer shipped directly to a resident  
12 of this state shall be conspicuously labeled with the words  
13 "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER  
14 REQUIRED FOR DELIVERY" or shall be conspicuously labeled with  
15 alternative wording preapproved by the administrator.

16 d. All containers of beer shipped directly to a resident  
17 of this state shall be shipped by a holder of an alcoholic  
18 beverage carrier permit as provided in section 123.188.

19 e. Shipment of beer pursuant to this subsection does not  
20 require a refund value for beverage container control purposes  
21 under chapter 455C.

22 4. A beer direct shipper licensee shall remit to the  
23 division an amount equivalent to the barrel tax on beer subject  
24 to direct shipment at the rate specified in section 123.136  
25 for deposit as provided in section 123.136, subsection 2.  
26 The amount shall be remitted at the time and in the manner  
27 provided in section 123.137, subsection 1A, and the ten percent  
28 penalty specified in section 123.137, subsection 2, shall be  
29 applicable.

30 5. A beer direct shipper licensee shall be deemed to have  
31 consented to the jurisdiction of the division or any other  
32 agency or court in this state concerning enforcement of this  
33 section and any related laws, rules, or regulations. A license  
34 holder shall allow the division to perform an audit of shipping  
35 records upon request.

1 6. A violation of this section shall subject the licensee  
2 to the general penalties provided in this chapter and shall  
3 constitute grounds for imposition of a civil penalty or  
4 suspension or revocation of the license pursuant to section  
5 123.39.

6 Sec. 6. Section 123.188, subsections 1, 2, and 4, Code 2024,  
7 are amended to read as follows:

8 1. A person desiring to deliver beer subject to direct  
9 shipment within this state pursuant to section 123.147 and  
10 wine subject to direct shipment within this state pursuant  
11 to section 123.187 shall submit an application for a ~~wine an~~  
12 alcoholic beverage carrier permit electronically, or in a  
13 manner prescribed by the director, which shall be accompanied  
14 by a fee in the amount of one hundred dollars.

15 2. The director may in accordance with this chapter issue a  
16 ~~wine an~~ alcoholic beverage carrier permit which shall be valid  
17 for one year from the date of issuance unless it is sooner  
18 suspended or revoked for a violation of this chapter.

19 4. The delivery of beer and wine pursuant to this  
20 section shall be subject to the following requirements and  
21 restrictions:

22 a. ~~A wine~~ An alcoholic beverage carrier permittee shall  
23 not deliver beer or wine to any person under twenty-one years  
24 of age, or to any person who either is or appears to be in an  
25 intoxicated state or condition.

26 b. ~~A wine~~ An alcoholic beverage carrier permittee shall  
27 obtain valid proof of identity and age prior to delivery,  
28 and shall obtain the signature of an adult as a condition of  
29 delivery.

30 c. ~~A wine~~ An alcoholic beverage carrier permittee shall  
31 maintain records of beer and wine shipped which include the  
32 permit number and name of the beer and wine manufacturer,  
33 quantity of beer and wine shipped, recipient's name and  
34 address, and an electronic or paper form of signature from the  
35 recipient of the beer and wine. Records shall be submitted to

1 the department on a monthly basis in a form and manner to be  
2 determined by the department.

3 Sec. 7. EFFECTIVE DATE. This Act takes effect January 1,  
4 2025.

5 EXPLANATION

6 The inclusion of this explanation does not constitute agreement with  
7 the explanation's substance by the members of the general assembly.

8 This bill allows for the direct shipment of beer within the  
9 state.

10 New Code section 123.147 provides for the direct shipment  
11 of beer and provides for a beer direct shipper license.  
12 Provisions governing the direct shipment of wine and the wine  
13 direct shipper permit are generally made applicable to the new  
14 Code section providing for the direct shipment of beer. The  
15 bill provides for application requirements and establishes the  
16 annual fee for the license as \$25. The bill also provides that  
17 a licensee under the new Code section shall pay the barrel tax  
18 on beer subject to direct shipment at the rate specified for  
19 beer sold in the state. Code section 123.135, concerning the  
20 barrel tax, and Code section 123.136, concerning report of  
21 barrel sales, are made applicable to beer subject to direct  
22 shipment.

23 Code section 123.188, providing for a wine carrier permit,  
24 is amended to provide for the direct shipment of beer as  
25 provided by the bill.

26 The bill takes effect January 1, 2025.

27 The bill does not otherwise reflect the 2023 realignment of  
28 alcoholic beverage control under the department of revenue or  
29 the alteration of the wine carrier permit into the alcoholic  
30 beverage carrier permit.