

# OUT OF STATE DIRECT SHIPPER FREQUENTLY ASKED QUESTIONS

## WHO MAY SHIP CIDER, MALT BEVERAGES, AND WINE DIRECT TO AN OREGON CONSUMER (DTC)?

An individual or business holding an OLCC-issued Direct Shipper (DS) permit may ship direct to an Oregon consumer:

- Wine and cider, provided the DS holder follows OAR 845-006-0392; and
- Malt beverages, but only if the DS holder is in a state that allows Oregon licensees to ship malt beverages directly to a consumer in that state and provided the DS holder follows OAR 845-006-0396.

## What are the definitions of cider, malt beverages, and wine?

**Cider** (AKA "hard cider") means an alcoholic beverage made from the fermentation of the juice of apples or pears and that contains more than one-half of one percent of alcohol by volume (ABV) but not more than 8.5 percent ABV and includes, but is not limited to, flavored, sparkling, carbonated, or fortified cider.

**Malt Beverage** means beer, ale, porter, stout, and other similar fermented beverages that contain more than one-half of one percent and not more than 16 percent ABV and that are brewed or produced from malt, wholly or in part, or from rice, grain, bran glucose, sugar, or molasses as a substitute for malt. "Malt beverage" does not include cider, mead, sake, or wine.

**Wine** is made via the fermentation process, is not a cider or malt beverage, and contains not more than 21% alcohol by volume. "Wine" includes fortified wine.

## How do I obtain a Direct Shipper permit?

Link to application: [Direct Shipper permit application for licensees located outside of Oregon](#)

## What is a privilege tax?

Oregon assesses a tax on the privilege of shipping malt beverage, wine, or cider into Oregon. This is called a privilege tax. The DS holder is responsible for declaring and paying the privilege tax to the OLCC.

## What is a privilege tax bond requirement?

All license types that have a privilege tax reporting requirement also have a bond requirement. There are multiple options to meet the bond requirement. For more information on the bond requirement please send an email to [olcc.bonds@oregon.gov](mailto:olcc.bonds@oregon.gov).



## FOR MORE INFORMATION CONTACT:

### Privilege Tax

phone: 503-872-5168

email:

[olcc.bonds@oregon.gov](mailto:olcc.bonds@oregon.gov)



*OLCC's mission is to support businesses, public safety and community livability through education and the enforcement of liquor and marijuana laws.*

## **Is there an exception to the requirement to obtain a privilege tax bond?**

Possibly. A DS holder with approval to ship only wine direct to an Oregon consumer may be eligible for a bond waiver. There is no bond waiver for malt beverages for cider. The application to apply for a bond waiver for wine is attached to the DS permit application form.

## **What reporting forms do I need to fill out, and how often?**

Link: [Privilege Tax](#)

## **When are reporting statements due to the OLCC?**

Reporting statements are due to the OLCC on the 20th of April, July, October, and January for the preceding quarter activity.

## **Who is responsible for paying the privilege tax?**

The direct shipper is responsible for all privilege taxes.

## **How long do I need to keep my records?**

You must keep all records for at least two years.

## **OREGON ADMINISTRATIVE RULES (OAR)**

- [Delivery definitions](#)
- [Wine and cider delivery](#)
- [Malt beverage delivery](#)