

Oregon Liquor and Cannabis Commission
DIRECT TO RETAILER PERMIT APPLICATION AND AGREEMENT



INTRODUCTION

Direct to Retailer permit privilege

A Direct to Retailer permit holder may sell at wholesale and transport malt beverage, wine or cider that the permit holder produced, fermented, manufactured or blended directly to Oregon retailers when certain requirements are met. This privilege does not apply if the brand of malt beverage is covered under a wholesale distribution agreement pursuant to ORS chapter 474.

This permit doesn't allow the permit holder to ship directly to an Oregon resident (a Direct Shipper permit is needed to ship directly to an Oregon resident). If you have an OLCC-issued Direct Shipper (DS) permit, you may ship malt beverages, wine or cider direct to an Oregon consumer, provided you follow [OAR 845-006-0392](#) and [OAR 845-006-0396](#)

- Link to [DS permit application](#)

Definitions in Oregon for malt beverage, wine and 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 of alcohol by volume 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. Under this definition, most "hard seltzer" and "hard kombucha" products qualify as malt beverages in Oregon. See ORS 471.001(6)
- **Wine** is made via the fermentation process, is not a cider or malt beverage, and contains not more than 21% alcohol by volume. Note: Cider containing more than 8.5% alcohol is considered wine
- **Cider** is made from the fermentation of the juice of apples or pears that contains not more than 8.5% alcohol by volume, including, but not limited to, flavored, sparkling or carbonated cider.

Fee for a Direct to Retailer permit

The fee is \$200 per calendar year.

Direct to Retailer Permit renewal period

A Direct to Retailer permit expires on December 31 of each year. Every year you must renew the permit and pay the \$200 fee to maintain a valid Direct to Retailer permit.

Qualifications to obtain a Direct to Retailer permit to ship Malt Beverages, Wine or Cider.

A person who is a resident of another U.S. state or territory and holds a license issued by another state or territory, that authorizes the manufacture of malt beverages, wine or cider, holds a standard Certificate of Approval under ORS 471.244, and holds a minimum \$1,000 bond or security under ORS 471.155 is eligible for the Direct to Retailer Permit.

Privilege tax reporting requirements for holders of a Direct to Retailer permit.

Oregon assesses a tax on the privilege of shipping malt beverage, wine, or cider into Oregon. This is called a privilege tax. The holder of the Direct to Retailer permit is responsible for paying all taxes imposed under ORS Chapter 473 as a manufacturer or importing distributor, and for complying with all reporting requirements imposed under ORS Chapter 473 for all malt beverages, wine, and cider sold and transported directly to eligible retailers. A Direct to Retailer permit holder must allow the Commission to audit its records upon request and make those records available to the Commission no later than 60 days after the request is made.

Possible exceptions to the privilege tax bond requirement.

The holder of a Direct to Retailer permit with approval to ship **ONLY WINE** may be eligible for a bond waiver (see page 5). There is **no waiver** for malt beverages or cider.

For Malt Beverage Manufacturers:

Oregon Wholesale Distribution Agreement (AKA “Territorial Agreement”)

Do you already have a Wholesale Distribution Agreement (aka “territorial agreement”) with an Oregon wholesaler to distribute one or more brands of malt beverages to Oregon retail licenses in a designated territory?

- If yes, then you may *not* sell and ship those brands of malt beverages directly to Oregon retail licenses in a territory already covered by a territorial agreement for a designated territory (you must continue to use the Oregon wholesaler to distribute those brands in that designated territory)

** Note: if you hold an OLCC-issued Direct Shipper (DS) permit, you may sell and ship any brand of malt beverages directly to an Oregon resident in any territory*

- If no, then you may sell and ship those brands of malt beverages manufactured by you in a territory not already covered by a territorial agreement for a designated territory.

Link to an OLCC guidance document: [Territorial Agreement](#)

Limitations on the Sale and Transportation of Malt Beverages

You may not in a calendar year sell at wholesale and transport to the holders of eligible Oregon retail licenses a combined total of more than 7,500 barrels (232,500 gallons) of malt beverages.

Is OLCC brand or label registration or approval needed for malt beverages?

No.

Oregon’s Bottle Bill

You will be subject to **Oregon’s Bottle Bill**. Please review the following:

- Factsheets: [Oregon’s Bottle Bill FAQ](#)
[Bottle Bill Guidelines](#)
[Bottle Bill Update](#)

For inquiries about Oregon Beverage & Recycling Cooperative (OBRC): membership@obrc.com

For inquiries about Oregon’s Bottle Bill email OLCC: OLCC.BottleBill@Oregon.gov

Oregon retail licenses eligible to receive from a DTR permit holder

License Type	Notes
<ul style="list-style-type: none"> • Full On-Premises Sales license; and • Limited On-Premises Sales License 	May deliver to the licensee’s annually licensed premises and/or to an event address where the full or limited on-premises licensee is operating under the authority of a temporary license (called a “Temporary Use of an Annual License” or “TUAL”)
Off-Premises Sales License	May deliver only to the licensee’s annually licensed premises
Temporary Sales License (TSL)	May deliver only to the address of the TSL special event and only on a TSL license date listed on the TSL application
Brewery-Public House license	May deliver to the licensee’s annually licensed premises and/or to an event address where the licensee is operating under the authority of a temporary license (called a “Special Event Brewery-Public House” license or “SEBPH”)
Other special license types	You may not deliver to an event address operating under any other special license type

The holder of a license issued under ORS 471.175 (F), 471.178 (L), 471.186 (O), 471.190(TSL), or 471.200(BP) may purchase and receive malt beverages, wine, and cider directly from the holder of a Direct to Retailer permit provided:

(a) The malt beverages, wine, and cider are received only at an address where the licensee holds a valid annual license issued under ORS 471.175, 471.178, 471.186, 471.190, or 471.200 or at an address where the licensee holds a special license issued by the Commission (TUAL, SEBPH); and

(b) The malt beverages, wine, and cider are only for retail sale and service by the licensee at the address at which they were received.

Am I eligible for any type of OLCC-issued special license that would allow me to sell and serve alcoholic beverages at retail in Oregon?

No. As a supplier, you are not eligible for any type of OLCC-special license.

Reporting requirements for an eligible retail license who directly receives malt beverages, wine, and cider from a Direct to Retailer permit holder.

An eligible retail licensee must submit to the Commission's Privilege Tax Department on or before the 20th day of each month a report showing the quantity of malt beverages, wine or cider received directly from holders of a Direct to Retailer permit during the immediately preceding calendar month. The Privilege Tax Department will mail all forms within 30 days of issuance of the Permit. Any questions regarding reporting requirements need to be directed to OLCC.PrivilegeTaxOnline@oregon.gov.

Delivery requirements.

You must follow the delivery requirements in Oregon Revised Statute (ORS) 845-006-0400.



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Please check all that apply: MALT BEVERAGE WINE AND/OR CIDER

 Name of Applicant (Entity or Individual)

 Trade Name of the Business (Name Customers See)

 Premises Address (Number and Street Address)

 City State Zip Code

 Mailing Address – if different from premises address (Number and Street Address)

 City State Zip Code

 Name of Contact Person Email Phone Number

Please include with your application:

- A copy of your home state license.
- \$200 fee. Enclose check or money order made payable to OLCC.
- A copy of your OLCC Standard Certificate of Approval (**CERA**) permit.
- Privilege tax minimum bond of \$1,000 or bond waiver. If you will ship **only wine** you may be eligible for a bond waiver (see page 5). If you apply for the bond waiver you must include the bond waiver form with your application.
 - If you do not qualify for the bond waiver you will be contacted with information regarding the bond requirement after receipt and review of your application materials.
- A copy of your federal TTB permit or brewers notice.

I certify that I have read and will follow [OAR 845-006-0400](#).

I consent to the jurisdiction of the Commission and the courts of Oregon for the purpose of enforcing the provisions of ORS chapters 471, 473, 459A.700 to 459A.744, 474.005 to 474.095 and 474.115 and any related laws and rules.

I affirm that I am authorized to sign this application on behalf of the applicant.

 Name (Print) Signature Date

Payment and Return Information

OLCC is able to accept only check or money order made payable to the OLCC (we are unable to accept electronic forms of payment, such as by a credit or debit card).

Please mail your completed application and \$200 fee to:
OLCC, PO Box 22297, Milwaukie, OR 97269

Bond Waiver Certification



The OLCC may waive the required surety bond for licensees or permit holders that meet specific criteria. **If you qualify for a waiver, complete the certification at the bottom of this form and submit it in lieu of a surety bond with your initial permit application and/or renewal application.**

This waiver will need to be received and approved by the OLCC **PRIOR** to your license or permit being issued or renewed.

If you have questions about the privilege tax bond or waiver, please email OLCC.Bonds@oregon.gov.

As per Oregon Revised Statute (ORS) 473.065 (4), unless the OLCC determines that a licensee or permit holder presents an unusual risk for nonpayment of any license fees, privilege taxes, agricultural products taxes or other tax, penalty or interest imposed under this chapter or ORS chapter 471, the OLCC shall waive the bond required under ORS 471.155 (1) for the licensee or permit holder if:

- (a) The licensee or permit holder was not liable for a privilege tax under this chapter in the immediately preceding calendar year and does not expect to be liable for a privilege tax under this chapter in the current calendar year; or
- (b) The licensee or permit holder of a business established during the current calendar year does not expect to be liable for a privilege tax under this chapter in the current calendar year.

ORS 473.050 (5) **No privilege tax** shall be levied, collected or imposed upon the first 40,000 gallons, or 151,000 liters, of wine sold annually in Oregon from a United States manufacturer of wines producing less than 100,000 gallons, or 379,000 liters, annually.

Unusual Risks:

- 1. Non-reporting: licensee or permittee has not filed its privilege tax statements or its Oregon Wine Board statement by the required due date.
- 2. Licensee or permittee checks returned to OLCC for non-sufficient funds.
- 3. Any activity that is noncompliant with Commission statutes or rules.

APPLICANT / PERMITTEE NAME _____

TRADE NAME (OF BUSINESS) _____

PERMIT/LICENSE TYPE _____

PREMISES ADDRESS _____ **CITY/STATE** _____

CONTACT PHONE NUMBER _____ **EMAIL** _____

I certify that my OREGON license or permit type is one or more of the following: Winery, Grower Sales Privilege, Warehouse, Direct Shipper, Direct to Retailer.

I certify, as a licensee or permittee, that I owed no privilege tax in the prior calendar year and will not owe any tax in the current calendar year. I request a waiver for the bond required under ORS 471.155.

I certify that I am the duly appointed and authorized representative and that the foregoing statement is true and complete.

PRINT NAME _____

SIGNATURE _____ **DATE** _____