NCSL – TASK FORCE ON STATE AND LOCAL TAXATION

SCOTTSDALE, AZ -- NOVEMBER 16, 2018

Steve Gross – Vice President, State Relations
Winery Excise Tax Payments Required (as of November, 2018)

- DTC w/ Excise Tax Payments
- DTC prohibited
- DTC w/o Excise Tax Payments
- DTC w/ Markup

Map indicating states with different regulations for DTC sales.
Winery DTC Sales Taxes Under Quill (Prior to 2018)

- Sales Tax Required
- Sales Tax Only w/ Physical Nexus
- Unique Wine DTC Tax
- Others - No DTC or No Sales Tax
Winery DTC Sales Taxes Under Wayfair (As of November, 2018)

- Sales Tax Required
- Sales Tax w/ Economic Nexus
- Unique Wine DTC Tax
- Sales Tax Only w/ Physical Nexus
- Sales Tax Only w/ Physical Nexus
- Others – No DTC or No Sales Tax

Map showing states with different sales tax requirements for DTC sales.
Winery DTC Economic Nexus Laws under Wayfair (As of 11/16/18)

<table>
<thead>
<tr>
<th>State</th>
<th>Effective Date</th>
<th>$ Threshold</th>
<th>Transaction Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota</td>
<td>10/1/18</td>
<td>$100,000</td>
<td>100</td>
</tr>
<tr>
<td>Colorado</td>
<td>12/1/18</td>
<td>$100,000</td>
<td>200</td>
</tr>
<tr>
<td>Iowa</td>
<td>1/1/19</td>
<td>$100,000</td>
<td>200</td>
</tr>
</tbody>
</table>