

Winery Permits Alcohol Beverage Laws Fact Sheet 3113

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This fact sheet provides information about Wisconsin alcohol beverage laws relating to winery permits. A winery permit allows a person to manufacture and bottle wine, and to make sales of that wine to wholesalers. No person may operate a winery unless they obtain a permit from the Division of Alcohol Beverages (DAB).

## **Allowed Activities**

A winery permit authorizes the following activities (all authorized activities are in sec. <u>125.53(1)</u>, Wis. Stats.):

- Manufacturing and bottling of wine on the winery premises.
- Possessing intoxicating liquor and mixing or blending it to produce wine.
- Enter into production agreements with other producers, as provided under sec. <u>125.21</u>, Wis. Stats.
- Making retail sales of wine that have been manufactured on the winery premises or on another
  permitted premises controlled by the winery to individuals at the winery premises or, if qualified and
  authorized at an off-site retail outlet established by the winery.
- Making full-service retail sales at the production premises and/or at an off-site retail outlet if certain production thresholds are met and authorized by the DAB.
- Providing free taste samples of wine on the winery premises and at an authorized full-service retail outlet.
- Providing free taste samples of wine at a "Class A", "Class B", or "Class C" licensee under specific circumstances. For more information on providing free taste samples, see <u>Fact Sheet 3106</u>, Alcohol Beverage Sampling.
- Operating a restaurant at the winery premises or at an authorized full-service retail outlet established by the winery.
- Making retail sales and providing taste samples of wine made by the winery on county or district fairgrounds provided that the wine is purchased from a permitted wholesaler.

## **Small Cooperative Wholesalers**

As of January 1, 2025, Wisconsin law allows for the organization of small cooperative wholesalers, consisting of members that are wineries, manufacturers, and/or rectifiers. Small cooperative wholesalers sell intoxicating liquor (including wine) manufactured, blended, or mixed, and bottled by its members to retailers or wholesalers in Wisconsin. A cooperative wholesaler cannot purchase intoxicating liquor from any person other than a member. Cooperative wholesalers also cannot employ any member or employee of a member.

A winery may become a member of a cooperative wholesaler only if the winery meets all the following:

- It produces and bottles less than 50,000 (prior to January 1, 2025 it is 25,000) gallons of wine in a calendar year.
- It is certified by the department as a "small winery."
- It holds a Wisconsin winery permit (unless an out-of-state winery).
- It holds a Wisconsin direct wine shipper's permit.

If a winery becomes a member of cooperative wholesaler, the winery may only make its wine available for purchase by a retailer or another wholesaler through the cooperative wholesaler of which it is a member. The winery may not sell its wine directly to any other wholesaler or directly to a retailer.

## **Interest Restrictions**

Generally, a winery cannot hold, or have any interest in, any wholesale permit or retail license or permit. Several exceptions exist to this general prohibition. Additional winery permit interest restrictions and exceptions are in secs. <u>125.20</u>, <u>125.69(1)</u>, Wis. Stats.

## Questions?

If you are unable to find an answer to your question on the division's website, you may email, write, or call the division.

Website	revenue.wi.gov/pages/AlcoholBeverage/home.aspx
Email	DORAlcohol@wisconsin.gov
Write	Division of Alcohol Beverages P.O. Box 8934 Madison, WI 53708-8934
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Last updated November 7, 2024