

OREGON LIQUOR CONTROL COMMISSION

Oregon Wine Board Tax

Frequently Asked Questions

Who is required to file an Oregon Wine Board report?

All licensees who hold a Winery or Growers Sales Privilege (GSP) license are required to file an annual report. Any vineyard that exports vinifera or hybrid grapes or grape products is required to file an annual report. Unlicensed vineyards who do not export are not required to file, but are encouraged to file "Information Reports" on an annual basis for OLCC tracking purposes.

Do I need to file a report if I have no activity for the year?

All licensee's who hold a Winery or GSP license are required to file an annual report, even if they have no activity for the year. Unlicensed vineyards that have no export activity are never required to file, however they are encouraged to file "Information Reports" for OLCC tracking purposes.

When do I file and when is the tax due?

Reports are due to the OLCC annually by December 31 of the tax year being assessed. Half of the tax is due with the report by December 31. The second half of the tax is due to OLCC no later than June 30 of the following year.

If a report is received without payment, penalty and interest will be assessed.

Who is responsible for the taxes?

A winery that uses the vinifera or hybrid grapes or grape products in the production of wine or cider over 8.5%, and any Oregon vineyard that exports vinifera or hybrid grapes or grape products is responsible for paying the tax.

Is the Oregon Wine Board tax a harvest or grape tax?

The Oregon Wine Board tax is neither a harvest nor grape tax. It is a tax on the sale or use of all agricultural products used in a winery for making wine, as well as all vinifera or hybrid grapes or grape products exported out of Oregon.

Do I owe tax on apples or other fruit that I have grown to use in making wine or cider?

Yes, a tax of \$.021 is imposed upon all agricultural products other than grapes used to make wine or cider over 8.5%.

If I export my grapes out of the state do I still owe tax?

Yes, a tax of \$12.50 is imposed upon all vinifera or hybrid grapes or grape products sold outside of Oregon.



For more information contact:

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The mission of the OLCC is to promote the public interest through the responsible sale and service of alcoholic beverages.

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Do I have to pay tax on juice or juice concentrate that I use to make wine?

Yes, a tax of \$25 per ton is imposed upon juice or juice concentrate used in the production of wine.

What is the difference between a custom crush facility and an alternating proprietorship?

A custom crush facility is a federally bonded, state licensed winery that crushes and/or produces wine for other wineries.

An alternating proprietorship is when two or more federally bonded, state licensed wineries take turns using the same equipment, located at the same premises, following the federal regulations set for alternating proprietorships.

I have a custom crush facility. Do I have to pay the tax for the wine I produced for other wineries?

Yes, if you are the winery producing the wine you are responsible for the tax, regardless of whose label is put on the wine.

I have an alternating proprietorship which consists of five wineries using my equipment to produce their wine. Am I responsible for the tax for all wine made on the premises?

In order to be an alternating premises, you must have a federal authorization, and all parties involved MUST be federally bonded and state licensed wineries. Therefore, each winery would be responsible for the tax on the wine they produced.

I purchased grapes from out of state. Do I owe tax on those grapes used?

Yes, if you used the grapes to make wine. The tax is imposed on all grape or vinifera products, true or hybrid harvested or imported into the state of Oregon, which are used to make wine.

Is the Oregon Wine Board tax the same thing as privilege tax?

No, the Oregon Wine Board is an assessment of the agricultural products used in the making of wine. Privilege tax is assessed on the finished product, for the opportunity to conduct business in Oregon as a manufacturer or distributor.

If I produce only cider, do I have to file this report?

Yes, although if your cider is 7% or under, there is no tax liability.