



This article presents general guidelines for Georgia nonprofit organizations and should not be construed as legal advice. Always consult an attorney to address your particular situation.

Auctioning Wine

Before you auction off that case of Pinot Noir, read this! Nonprofit organizations in Georgia must obtain a special permit to auction cases or bottles of wine for later consumption. The law only allows the auction of wine in sealed containers and does not allow for the sale or auction of other types of alcoholic beverages in sealed containers. To conduct a legal auction of wine, a nonprofit must obtain both local and state licenses.

Local License

A nonprofit must first obtain a local license or authorization to sell wine through an auction. Nonprofits should contact local officials as early as possible in the application process because local approval is needed *before* application for the state license.

The location of the event determines whether the local county or city rules apply. If the event is held within city limits, contact city officials. If the event is held in an unincorporated part of the county, contact county officials.

Each county and city has its own application, procedures and rules for an alcoholic beverage permit application.

Because the law is relatively new, many cities and counties may not have a separate application form for a license to auction wine. The nonprofit might need to reference the new law and ask officials for guidance on how to apply for a permit or obtain a letter of approval. Nonprofits will also need to check with local authorities to determine whether local excise tax must be paid on donated wine.

State License

The Georgia Department of Revenue enforces state laws governing the auction of wine. To obtain a state license for the auction of wine at an event, nonprofits must complete [Form ATT-4SP](#), *State of Georgia Special Event Alcohol Beverage Permit Application*.

The license requires a \$25 fee for nonprofit organizations and the application must be filed no later than 10 business days prior to the event. The license is valid for the event for a period of three days and only for the place specified in the application.

The information needed to complete the application includes:

- The date, time and location of the event; and
- The city or county in which the event will be held.

Along with the completed application form and \$25 fee, the nonprofit must submit:

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- Copy of a license or letter of approval from the appropriate local authorities;
- Copy of (1) articles of incorporation or bylaws or (2) a copy of the nonprofit's 501(c)(3) determination letter from the IRS; and
- Donated Wine Inventory List for each donor ([Form CRF-015](#)).

Taxes

Unless it has received a sales tax exemption from the Georgia Department of Revenue, the nonprofit must pay sales tax on any wine that it auctions. For more information about sales tax, see **Paying Sales and Use Tax in Georgia**.

The nonprofit may also be required to pay Georgia excise tax on donated wine.

- In Georgia, the wholesaler is required to pay excise tax on the wine, so if the donor purchased the wine in Georgia, or if the wine is donated by a wholesaler or retailer in Georgia, then the excise tax should already have been paid by the wholesaler.
- If the donor purchased the wine in another state and then brought it to Georgia, the Georgia state excise tax has probably *not* been paid. If the nonprofit cannot prove that the excise tax has been paid, then the nonprofit will be responsible for paying the excise tax, using [Form ATT-75](#) from the Department of Revenue website.

Additional Requirements

Nonprofits must post copies of the state and local permits at the event. The permit is subject to all laws regulating the hours and days for selling wine. So if wine cannot be sold on Sunday in a particular county, the auction cannot take place on a Sunday.