**Sec. 04.09.370. Manufacturer direct shipment license.** (a) A manufacturer direct shipment license authorizes the holder of a brewery retail license issued under AS 04.09.320, winery retail license issued under AS 04.09.330, or distillery retail license issued under AS 04.09.340, or the holder of a manufacturer license issued in another state, to sell the holder's product in response to an order for shipment to a person, for personal use only and not for resale, who is located in the state. A manufacturer direct shipment license may not be transferred to another person or another location.

(b) The biennial fee for a manufacturer direct shipment license is $200.

(c) An applicant for issuance or renewal of a manufacturer direct shipment license shall

(1) submit an application on a form prescribed by the board;

(2) consent to the jurisdiction of the board, the Department of Revenue, and any other state agency or state court concerning enforcement of this title; and

(3) if the applicant is the holder of a license or permit authorizing the holder to manufacture and sell its product to the public issued in another state, provide to the board a copy of the holder's license or permit issued

(A) in the state; and

(B) by the Alcohol and Tobacco Tax and Trade Bureau.

(d) All product shipped to a purchaser in the state by the holder of a manufacturer direct shipment license is subject to the state excise tax.

(e) The holder of a manufacturer direct shipment license may not

(1) ship product to an address with a zip code located in an area that has adopted a local option under AS 04.11.491;

(2) sell more than

(A) 1.5 liters of distilled spirits to a purchaser in one transaction or more than 4.5 liters of distilled spirits to a purchaser in a calendar year;

(B) 18 liters of wine to a purchaser in one transaction or more than 108 liters of wine to a purchaser in a calendar year; or

(C) 288 ounces of brewed beverages to a purchaser in one transaction or more than 13.5 gallons of brewed beverages to a purchaser in a calendar year;

(3) ship its product using a common carrier who is not approved by the board to ship alcoholic beverages to persons in the state under AS 04.09.750(b); or

(4) annually produce more than 300,000 barrels in total of brewed beverages or more than 50,000 proof gallons in total of distilled spirits.

(f) Before shipping an order under this section, the holder of a manufacturer direct shipment license shall

(1) verify that the person submitting the order is at least 21 years of age, using an age verification service or other method, and that the named recipient of the shipment, if not the same person as the person submitting the order, is at least 21 years of age;

(2) determine that the order will not exceed the limits of (e)(2) of this section;

(3) provide written or electronic information to the person submitting the order on fetal alcohol syndrome and fetal alcohol effects resulting from a woman's consumption of alcohol during pregnancy; and

(4) label the shipping container as containing alcoholic beverages and requiring a signature by a person who is at least 21 years of age upon delivery.

(g) The holder of a manufacturer direct shipment license shall

(1) retain records of sales made under this license for at least two years; and

(2) make records of sales available for inspection and audit by the board and the Department of Revenue.

(h) The board shall compile a list that is available for public inspection of zip codes that are located within a local option area and notify the holder of a manufacturer direct shipment license of any change to the list.

(i) The holder of a manufacturer direct shipment license commits the offense of failure to comply with the terms of a manufacturer direct shipment license if the person fails to comply with (e) - (g) of this section.

(j) Failure to comply with the terms of a manufacturer direct shipment license is a violation.