



<https://dor.sd.gov/> 1-800-829-9188

# Alcoholic Beverage Sampling

*The purpose of this document is to explain how South Dakota state law and rules apply to Alcoholic Beverage Sampling. It is not intended to answer all questions that may arise. The information contained in this fact sheet is current as of the date of publication.*

August 2017

## Consumer Sampling

Consumer sampling is the offering of samples to the general public in a retail setting. If you hold an off-sale liquor license you may provide samples of malt beverages, wine, distilled spirits, liqueurs and cordials to the general public without any additional license at your retail location.

- Samples may be offered only from products currently in stock and offered for sale to the general public.
- Off-sale retailers are only permitted to offer samples at their own location.
- There can be no charge to receive a sample and it must be consumed on the licensed premises during hours of business.
- Sample sizes may not exceed:
  - ⇒ Malt beverage samples = 3 fluid ounces
  - ⇒ Wine samples = 50 mL
  - ⇒ Distilled spirits, liqueur or cordial samples = 25 mL

***It is your responsibility, as a wholesaler, retailer or manufacturer, to ensure sampling is being conducted in a lawful manner.***

***Alcoholic beverage sampling is only permissible under limited circumstances in South Dakota.***

Typically, consumer sampling may only be conducted by employees of the retailer offering the samples. However, solicitor licensees working for an alcohol manufacturer may also provide samples at both on-sale and off-sale locations subject to the same limitations as described above.

### Examples:

1. *ABC Liquor Store is looking to provide samples to a local grocery store at an upcoming event.*
  - This is not permitted because ABC Liquor Store is hosting the sampling outside of its retail location.
2. *XYZ Liquor Store wants to measure customer interest in a new product. They are wanting to provide samples to customers.*
  - XYZ Liquor Store may only provide these samples at their location and if the new product is already in stock and available for purchase.
3. *A solicitor working for DEF Wholesaler wants to provide samples to customers at an upcoming event at a retail location.*
  - This is not permitted because only solicitors working for alcohol manufacturers may offer samples to consumers at a retail location.

## Wine Tastings

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Licensed wholesalers may conduct group wine tastings for consumers and retailers under these circumstances.

- The tasting is held at a location that is licensed to sell wine.
- All taxes are paid on the wines before the tasting event.
- All wines offered for tasting must be purchased from the licensed business where the event is held. The wines must be purchased at no less than cost and freight to the licensee.
- There is no charge for attending the wine tasting event.
- Except for food that is provided to help distinguish the wines (Examples: crackers, cheese, and fruit), offering food items or other products is prohibited.
- If the hosting business does not wish to place the wines provided for the tasting into their inventory for resale, then the wine can be returned to the wholesaler.

### Examples:

1. *A wholesaler is interested in hosting a wine tasting event at a local park.*
  - This is not permitted because the location is not licensed to sell wine.
2. *DEF Wholesaler purchased a case of wine for a tasting event at a local grocery store and paid all applicable taxes on its purchase.*
  - This is permitted because DEF Wholesaler paid all taxes due for the wine tasting event.
3. *A local non-profit is looking to host a wine tasting fundraiser where they will ask for donations at the door.*
  - This is not permitted without additional licensing. There cannot be a charge to the attendees — this includes donations.
4. *A wine tasting event is offering an all you can eat buffet.*
  - This is not allowed as this is an incentive to purchase wine.
  - The only food that may be offered are crackers, cheese, and fruit to help distinguish the wines.

## Industry Sampling

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A wholesaler can offer the following to a retailer:

- A sample of 750 ml or less of any brand of alcoholic beverages not previously sold by the wholesaler to the retailer.
- A taste sample from a container exceeding 750 ml as long as neither the container nor the remaining contents are given to the retailer.

### Contact Us

If you have any questions, please contact the **South Dakota Department of Revenue**.

**Call toll-free:** 1-800-829-9188 (Option 2)

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**Website:** <https://dor.sd.gov/>

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