

# Oregon Wine Board Tax

## Frequently Asked Questions

### **Who is required to file an Oregon Wine Board report?**

All licensees who hold a Winery, Growers Sales Privilege (GSP), CERA, DS, or DTR license are required to file an annual report. For holders of multiple licenses, only one OWB return is required.

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 licensees who hold a Winery, GSP, CERA, DS, or DTR license are required to file an annual report, even if they have no activity for the year.

### **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 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 per gallon is imposed on 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 per ton is imposed upon all vinifera or hybrid grapes or grape products sold outside of Oregon.



**For more information, please contact the Privilege Tax team at:**

[OLCC.PrivilegeTaxOnline@olcc.oregon.gov](mailto:OLCC.PrivilegeTaxOnline@olcc.oregon.gov)



### **Our Mission**

OLCC oversees access to alcohol and cannabis products in Oregon through education, regulation, and distilled spirits distribution. Our aim is to protect public health and safety while supporting responsible businesses and provide funding for local and state agencies

9079 SE McLoughlin Blvd.  
Portland, OR 97222  
Phone: 503-872-5000  
Fax: 503-872-5180  
Toll free: 800-452-OLCC

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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?**

To be considered an alternating premises, you must have a federal authorization, and all parties involved MUST be federally bonded and state licensed wineries. Each winery would then be responsible for the tax on the wine they produce.

**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, and 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.