



# Direct-to-Consumer Cider Shipping Compliance Essentials

Direct-to-consumer (DtC) cider shipping is a great way to bring your products to a wider audience, but there are a few considerations to keep in mind. The specific rules for legal shipping vary by state and can even be impacted by DtC wine or beer shipping regulations, so it's important to keep an eye on the details.

**Here are the top 6 things DtC cider shippers need to know to stay compliant.**



## Where can you ship cider?

Currently (April 2023), no state has a DtC law that specifically mentions ciders. As such, cider may only be shipped direct-to-consumer if it is included among the types of beverage alcohol that are listed in a DtC statute. In fact, 40 states and the District of Columbia permit DtC cider shipping under their wine shipping laws, and several states define ciders as a separate class of beverage alcohol depending on its ABV content. Cideries must follow the [destination state's rules](#), and they vary greatly.

Only ship to states where it is legal to do so!



## Get licensed

Many of the states that permit DtC cider shipping require it to be done by licensed manufacturers under the state's wine shipping rules. States often require copies of your existing alcohol licenses, including those issued by TTB and your home state. Once obtained, DtC licenses must be renewed, often annually. Each state has their own renewal deadline, so be sure to plan ahead to avoid disruptions.

Each state's license type and application process differ, so pay close attention to the requirements of each state you enter.



## Cider is a type of wine – except when it's not

Whether a state permits DtC cider shipping often depends on how a state defines "cider."

In terms of legal definitions, ciders typically fall under "wine," as generally wine is defined to include the fermented products of all fruits, fruit juices and other (non-malt) agricultural goods. However, some states do specifically exclude ciders from their definitions of wine, limiting wines to only grape-based products.

In other states, cider is defined to be regulated as beer or the definition is dependent on the alcoholic content. Higher ABV ciders may fall under wine regulations, with lower ABV ones being treated as beer or even its own product type.

Double check how each state defines cider to stay on the right side of the law!



## Know which rules apply

All interstate alcohol shipments require strict adherence to compliance requirements including age verification, volume limits, production/ownership requirements, proper product labeling, carrier handling and more. Further, specific alcohol types must follow specific laws, so make sure you properly interpret how each state's rules apply to your own product offerings.

When states only allow wine DtC shipping, cider may potentially be shipped under DtC wine shipping rules. But when states define cider to be regulated as a beer, then cider shipping would be permitted if that state allows for DtC beer shipping.

When looking to expand your DtC cider shipping reach, ensure that you properly interpret how each state's rules apply to your individual circumstances.



## Understand your tax burden

Taxes are one of the most basic aspects of beverage alcohol regulation, but they can be difficult to get a handle on. As a condition for getting your state DtC license, shippers must assume a sales tax liability. All 46 states that levy sales tax have [economic nexus](#) based on how much you sell into their state.

Filing generally entails recognizing the total volume that has been shipped DtC, calculating that against the relevant state's excise tax rates and then filing the return with taxes paid on time. Many states will also require DtC shippers to provide summaries of their orders in that period, including details like the name and address of who they shipped to and how much that consumer purchased.

Study the tax rules of each locale you enter to learn how and when to collect and remit tax on your DtC shipments.



## Recognize the risks of non-compliance

The last several years have seen increased efforts by regulators to get a handle on the growing DtC market, which has led to more audits and enforcement actions. There are serious consequences to noncompliance with laws surrounding licensure, age verification, labeling, carrier handling and more. Initial violations bring cease and desist letters, but fines and monetary penalties are also common. If noncompliance becomes habitual, DtC licenses can be revoked, which can have a domino effect and lead to the loss of production licenses.

The future of your entire business (not just DtC shipping!) relies on compliance with all state rules.

Complying with hard cider delivery requirements likely entails working with your legal counsel, compliance software provider or team, or even hearing about a state's process firsthand from another cider producer. If you're ready to get a handle on managing DtC cider shipping compliance, [Sovos ShipCompliant can help](#).

### About Sovos ShipCompliant

Sovos ShipCompliant is the leading compliance and technology platform for alcohol producers. ShipCompliant offers real-time cloud-based solutions to beverage alcohol companies to ensure compliance with federal and state laws for direct-to-consumer and three-tier distribution.

### Contact

[www.sovos.com/shipcompliant/](http://www.sovos.com/shipcompliant/)  
+1 888 449 5285  
[sales-shipcompliant@sovos.com](mailto:sales-shipcompliant@sovos.com)