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Avalara, Inc. has announced the availability of Avalara Shipping Verification for Beverage Alcohol (Avalara Shipping Verification). Avalara Shipping Verification is a new enhancement to Avalara for Beverage Alcohol, which provides a complete solution for direct-to-consumer (DTC) alcohol businesses across the compliance life cycle, from licensing and product registrations to tax calculations and returns. Avalara is a provider of cloud-based tax compliance automation for businesses of all sizes.

Avalara Shipping Verification allows wineries, breweries, distilleries, importers, alcohol retailers, alcohol marketplaces, and alcohol delivery apps to check, in real time, major compliance areas of beverage alcohol DTC shipments, including:

- License requirements. Checks if the destination requires a license to ship into the state, and if the shipper has a valid license for each jurisdiction
- Dry areas. Uses the destination address to confirm if alcohol shipments are allowed, including, for example, wet or moist precincts within dry counties
- Volume limits. Analyzes transaction details to determine if a shipment will cause the licensee to exceed per-individual, per-household, or state aggregate volume limits
- Age validation. Ensures the purchaser and recipient are of legal drinking age

The new offering also provides clear messaging to ecommerce, point of sale, club/subscription, and other order management systems if an order fails a check, to help mitigate shipment risks. This information can be used by sellers to determine next steps for their business and shipping compliance for beverage alcohol.

Avalara Shipping Verification is a key addition to the Avalara for Beverage Alcohol suite of software and services that includes:

• Avalara AvaTax for Beverage Alcohol. Locates and calculates multi-tax (sales and

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process on behalf of customers, improving compliance while reducing manual effort

Avalara introduces Avalara Shipping Verification as the rules for DTC interstate shipment of alcohol are becoming increasingly complex. Regulations vary by state, with significant consequences for noncompliant shipments, including loss of licenses and approvals to sell in a state. Avalara Shipping Verification is bundled with AvaTax for Beverage Alcohol and delivers the following benefits to sellers:

- Mitigates risk for wineries that ship higher volumes to make sure requirements are met, business can continue, and state approvals are maintained
- Increases ease of use for Avalara customers to maintain shipping compliance via messaging verification in their current systems
- Delivers cost savings for AvaTax for Beverage Alcohol customers as this feature is included at no additional fee
- Saves time for customers that are currently using manual processes to maintain shipping verification

"Our ecommerce business really exploded in 2020, and we went to lengths to improve our direct-to-consumer technology stack, including improved transactional compliance as a critical step in selling online," said Rob Murray, owner and founder at Tooth & Nail Wine Company. "Avalara's real-time shipping verification within AvaTax ensures that transactions are compliant prior to fulfillment — that's essential to our business operations. We're reliant on Avalara's complete solution for beverage alcohol to achieve compliance with all rules in each destination jurisdiction, so that we can devote our full energies to building our brand."

"Beverage alcohol sellers are acting quickly to take full advantage of the legislative green light afforded across an increasing number of states to allow for DTC

ecommerce sales," said Jeff Carroll, general manager, Avalara for Beverage Alcohol.

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