

Instructions For Alaska Alcoholic Beverage Excise Tax Return

General Information

A separate Alcoholic Beverage Excise Tax Return is due for each licensed facility by the end of the month following the month in which alcoholic beverages were sold in the state. Schedule A must be accompanied by all applicable supporting schedules (B through F); and the Inventory Report (Schedule G). All alcoholic beverage invoices must be kept for three years and be available for audit or inspection by the Alaska Department of Revenue (DOR).

How To File

File Online Return – File your Alcoholic Beverage Excise Tax Return using the Online Tax Information System (OTIS) at: www.tax.alaska.gov You may also pay your tax online at this site.

File Paper Return - Mail completed return to:

Tax Division
Alaska Department of Revenue
PO Box 110420
Juneau AK 99811-0420

Payment

Pay your taxes using the Online Tax Information System (OTIS) at www.tax.alaska.gov Note that you must be an existing taxpayer with the Tax Division to pay electronically. If you are a first-time taxpayer, contact the Tax Division at 907-465-2320 or visit www.tax.alaska.gov for information.

ACH Debit (EFT) - OTIS accommodates Automated Clearing House (ACH) debit payments. **If your bank account has a debit block, your online payment request will be rejected by your bank. Rejected payments may result in late payment penalties and/or interest.**

If you think your bank account has a debit block, contact your bank before making an online payment to register the State of Alaska as an authorized ACH debit originator. The company ID for the Alaska Department of Revenue is 0000902050.

ACH Credit (Credit Cards) - OTIS does not accept ACH credit or credit card transactions.

Wire Transfers - If you are paying by wire transfer, log on to the OTIS website at www.tax.alaska.gov for instructions.

Checks - Note that if your total payment exceeds \$100,000 you are required to pay electronically or by wire transfer. If you are paying by check, make your check payable to the State of Alaska and mail it with your return to:

Tax Division
Alaska Department of Revenue
PO Box 110420
Juneau AK 99811-0420

Penalties

Late Filing Of Return - Returns not filed by the due date are subject to a failure to file penalty of 5% of the unpaid tax for each 30 day period or portion of a period the return is late, up to a maximum of 25%.

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Late Payment Of Tax - If the full amount of tax is not paid when due, the return is subject to a failure to pay penalty of 5% of the unpaid tax for each 30 day period or portion of a period the payment is late, up to a maximum of 25%. If during any period or portion of a period, both the failure to file and failure to pay penalties are applicable, only the failure to file penalty is imposed.

Interest

Under Alaska Statute 43.05.225, interest will be assessed on any unpaid or delinquent tax. Interest is compounded quarterly at the applicable rate each quarter. Refer to www.tax.alaska.gov or contact the Tax Division for applicable rates.

Line By Line Instructions

Interactive forms are located at:

<http://www.tax.alaska.gov/alcohol>

Schedule A - Tax Calculation

Lines 1a, 2a, 3a, and 4a - Enter the total gallons of taxable alcoholic beverages sold in Alaska by type and district as reported on Schedule B.

Lines 1c, 2c, 3c, and 4c - Enter the computed tax for each alcoholic beverage type. (Multiply Lines 1a, 2a, 3a, and 4a by 1b, 2b, 3b and 4b.)

Line 5 - Enter amount previously paid if filing an amended return.

Lines 6 - Enter the total tax due. Add the total of lines 1c, 2c, 3c and 4c, less line 5.

Schedule B - Supporting Schedule Of Gallons Sold In Alaska

Enter the total number of taxable gallons sold in Alaska, and the names and Alaska addresses of all sales to retailers or individuals and include the judicial district (the destination of the retail sale). A single line should be used to report on-site sales directly to individual consumers. Carry forward the total to line 1a, 2a, 3a and 4a of Schedule A by Judicial District and to Line 4 of Schedule G. Enter totals at the bottom of the page.

Schedule C - Supporting Schedule Of Gallons Sold To Military Establishments

Enter the total number of tax exempt gallons sold, and the names, judicial district (the destination of the military sale) and Alaska addresses of sales made to military establishments qualifying for exemption under USC 4-107. Carry forward the total to line 5 of Schedule G. Enter totals at the bottom of the page.

Schedule D - Supporting Schedule Of Gallons Transferred Or Sold To Licensed Warehouse

Enter the total number of tax exempt gallons sold or consigned, and the names, judicial district (the destination of the sale or consignment) and Alaska addresses for sales or consignments to licensed bonded warehouses in the state. Carry forward the total to line 6 of Schedule G. Enter totals at the bottom of the page.

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Schedule E - Supporting Schedule Of Gallons Sold Out Of State

Enter the total number of tax exempt gallons sold or consigned and the names and addresses of sales or consignments out of state. Carry forward the total to line 7 of Schedule G. Enter totals at the bottom of the page.

Schedule F – Distributor’s Schedule For Sales Of Reduced Tax Rate Beer And Malt Beverages

Distributor’s (Licensed Bonded Warehouses only) must complete this form if they sell beer or malt beverages produced by a brewery that qualifies for the reduced tax rate and are approved by DOR for the current fiscal year and are claiming the reduced rate on Schedule A. Provide the name and address of the brewery qualifying for the reduced rate and the number of gallons sold or consigned. The reduced rate will not be allowed if any information on this form is omitted. The grand total of Schedule F should match the totals on Schedules B, C, D, and E. Enter totals at the bottom of the page.

Schedule G – Inventory Report

All alcoholic beverage licensees must complete this form if alcoholic beverages are stored or manufactured in Alaska. A separate inventory report must be provided for each location where alcoholic beverages are stored or manufactured with each return.

Line 1 – Beginning inventory must equal the ending inventory reported on the prior month’s form. **Provide a full explanation if the amounts do not agree.**

Line 2 – Enter total gallons received or produced during the month.

Line 3 – Total gallons on hand during the month (Add lines 1 and 2).

Line 4 – Total gallons from Schedule B (See instructions for Schedule B).

Line 5 – Total gallons from Schedule C (See instructions for Schedule C).

Line 6 – Total gallons from Schedule D (See instructions for Schedule D).

Line 7 – Total gallons from Schedule E (See instructions for Schedule E).

Line 8 – Subtotal (Subtract Lines 4 through 7 from Line 3).

Line 9 – Increase or (decrease) – An example of an increase would be returns, inventory adjustments, etc. An example of a decrease would be breakage, donations, samples, losses due to settling, etc. Enter a decrease as a negative number. Provide a detailed explanation of each type of increase or decrease.

Line 10 – Ending Inventory (sum of Line 8 and 9) must equal beginning inventory for the next month.

Definitions

Judicial District - For reporting purposes, the district is the destination of the retail sale or consignment. There are a total of four districts. A judicial map may be obtained at the following web site: www.courts.alaska.gov/venuemap.pdf.

Quick reference:

District 1 = Southeast Alaska; District 2 = North Slope; District 3 = Anchorage Area & District 4 = Fairbanks Area

Liquor - Alcoholic beverages having a content of more than 21 percent alcohol by volume.

Wine - Alcoholic beverages except malt or cider beverages having a content of less than 21 percent alcohol by volume.

Malt Beverages - Any alcoholic beverage brewed or produced from malt, wholly or in part, or from any substitute for malt.

Cider - Still wine derived primarily from apples or apple concentrate and water (apple juice, or the equivalent amount of concentrate reconstituted to the original brix of the juice prior to concentration, must represent more than 50 percent of the volume of the finished product) containing no other fruit product nor any artificial product which imparts a fruit flavor other than apple; containing at least 0.5 percent but not more than 7 percent alcohol by volume; having the taste, aroma, and characteristics generally attributed to hard cider; and sold or offered for sale as cider.

Beer & Malt Beverages Qualifying For Reduced Tax Rate - Alaska allows a reduced rate of tax (0.35 cents per gallon) on sales of beer and malt beverages sold in the state produced by a qualifying brewery. If the department has not received the following documents, beer and malt beverages will be taxed at the rate of \$1.07 per gallon. If proof of eligibility is not received by the department before **June 1** each fiscal year, the reduced tax rate does not apply until the first day of the second month after the month the proper documents are received by the department. In State Brewers must be licensed annually by DOR and must qualify for the reduced rate of tax. DOR must have received a Brewer’s Report of Operations (TTB F5130.09), or for brewers that do not produce more than 5,000 barrels of beer per calendar year the Brewpub Report of Operations (TTB F5130.26) and an annual Declaration of Anticipated Brewing (0405-406). Out of State Brewers must be approved annually by DOR to receive the reduced tax rate. Before the reduced rate is allowed, the department must have received a Brewer’s Report of Operations (TTB F5130.09) and an annual Declaration of Anticipated Brewing (0405-406).

Need Help?

If you have any questions not addressed in these instructions, need more information or require assistance, contact the Tax Division at dor.tax.alcohol@alaska.gov or call 907-269-6620.