



TO ALL VIRGINIA MALT BEVERAGE MANUFACTURERS, BOTTLERS AND WHOLESALEERS

MONTHLY REPORTING AND PAYMENT OF TAX

On or before the tenth day of each month, each manufacturer, bottler, wholesaler or other person selling beer or wine coolers in the Commonwealth who is chargeable with the payment of excise taxes imposed by § [4.1-236](#) shall file a report under oath with the Board, on forms prescribed by the Board, showing the quantity of all beer and wine coolers (4% or less alcohol by volume) manufactured, bottled or sold by such person during the preceding calendar months. Such report shall also contain any other information the Board may require. At the time of filing, such person shall pay the Board all excise taxes chargeable against him under the provisions of § [4.1-236](#), unless the taxes have been previously paid.

According to Section § [4.1-236](#), there is levied on all beer and wine coolers sold in the Commonwealth an excise tax at the rate of (See Exhibit 1):

1. Twenty-five and sixty-five hundredths cents per gallon per barrel;
2. Two cents per bottle on bottles of not more than seven ounces each;
3. Two and sixty-five hundredths cents per bottle on bottles of more than seven ounces each but not more than twelve ounces each; and
4. Two and twenty-two one hundredths mills per ounce per bottle on bottles of more than twelve ounces each.

The tax herein levied shall be paid by the manufacturer, bottler or wholesaler selling beer or wine coolers to licensed retailers.

If the tax rate is not listed on Exhibit 1, please go to our website, www.abc.virginia.gov, Laws & Enforcement, Tax Management Reports, accept disclaimer, stroll to Tax Rate Information and use the Malt Beverage Tax Rates calculator.

Under Section [4.1-239](#), payment of the excise tax on beer and wine coolers is due on or before the tenth day of each month for the preceding month. Under Section 3 VAC5-60-70, when the tenth day of the month falls on a Saturday, Sunday or legal holiday, the tax may be paid without penalty or interest on the next succeeding business day. Section 3 VAC5-60-70 further accepts payment of the tax without penalty or interest by sealed mail postmarked on or before midnight of the day such tax is due. A Malt Beverage Wholesaler's Tax Report must be submitted for the month the license is issued. If no business is conducted, submit a report showing zeros.

Under Section § [58.1-15](#), the interest on late payments is based on the current quarter Federal short-term rate set by the IRS. The amount of the late or underpayment would be multiplied by the rate of interest applicable to the period of the late or deficient payment. Under Section § [4.1-332](#), the interest becomes collectible as if it were part of the required tax.

Under Section § [4.1-332](#), the civil penalty for nonpayment of not more than 30 days is 5 percent, and an additional 5 percent for each additional 30 days, or fraction thereof, up to a maximum of 25 percent.

Any person, manufacturer, bottler, or wholesaler filing a tax report and paying such excise tax required by subsection B of § [4.1-236](#) shall be allowed a commission of one percent of the amount of tax due as compensation for the expense of maintaining records and preparing reports so as to account for and remit the tax levied by § [4.1-236](#). Such commission shall also be allowed as compensation for the expense, if any, of compliance with the requirements of § [4.1-238](#). Such commission shall be accounted for in the form of a deduction from the amount of tax which would otherwise be due.

All licensed manufacturers, bottlers or wholesalers of alcoholic beverages shall keep a complete, accurate and separate record of all alcoholic beverages manufactured, bottled, purchased, sold or shipped by him. Such records shall show the quantities of all such alcoholic beverages manufactured, bottled, purchased, sold or shipped by him; the dates of all sales, purchases, deliveries or shipments; the names and addresses of all persons to or from whom such sales, purchases, deliveries or shipments are made; the quantities and kinds of alcoholic beverages sold and delivered or shipped and the prices charged therefore and the taxes applicable thereto, if any. Every manufacturer and wholesaler, at the time of delivering alcoholic beverages to any person, shall also prepare a duplicate invoice showing the date of delivery, the quantity and value of each delivery and the name of the purchaser to whom the delivery is made.

To complete the Malt Beverage Wholesaler's Tax Report (Form 805-70) the following procedure must be used (See Exhibit 2). The Malt Beverage Wholesaler's Tax Report form can be obtained in an excel spreadsheet from our website, www.abc.virginia.gov, Laws & Enforcement, Forms & Reports, Tax Management Forms, stroll down to Malt Beverage Wholesaler's Tax Report 805-70, click on mltbev.xls.

ITEM 1. CONTAINER SIZE

List all sizes received during the month by bottles, cans, and draughts. Any size not printed on form need to be added. The container size must correspond with Item 12 (containers Per Case).

ITEM 2. INVENTORY AT BEGINNING OF MONTH (ACTUAL COUNT)

List ending inventory from the previous month in Item 2.

ITEM 3. QUANTITY PURCHASED OR RECEIVED DURING MONTH SCHEDULE A

Each order of malt beverage purchased by a wholesaler during the month shall be listed in completed detail on Schedule A. The total quantity purchased or received during the month for each container size and container per case is to be entered in Item 3.

ITEM 4. TOTAL (ITEM 2 PLUS ITEM 3)

Total cases stocked.

ITEM 5. BREAKAGE AND/OR SPOILAGE DURING MONTH

Wholesalers are required to report total cases, container size/container per case, brand,

and type on a separate sheet of paper, authorized signature and date must be shown. Breakage and/or spoilage must be separated by bottles, cans, and draughts. The total is to be entered in Item 5. In case of excessive amounts of breakage, contact your local A.B.C. Compliance Agent prior to destruction.

ITEM 6. INVENTORY AT END OF MONTH (ACTUAL COUNT)

This is the count of your inventory remaining at the end of the month.

ITEM 7. TOTAL (ITEM 4 LESS ITEM 5 AND ITEM 6)

Total cases stocked minus Breakage and/or Spoilage, and Inventory at end of month.

ITEM 8. TAX EXEMPT SALES & MILITARY (SCHEDULE B)

Includes: Military sales

ITEM 9. TAX EXEMPT SALES OUT OF STATE (SCHEDULE B)

Includes: Out-of-state sales
Malt beverages returned to supplier

All licensed manufacturers, bottlers or wholesalers of alcoholic beverages shall keep a complete, accurate and separate record of all alcoholic beverages manufactured, bottled, purchased, sold or shipped by him. Such records shall show the quantities of all such alcoholic beverages manufactured, bottled, purchased, sold or shipped by him; the dates of all sales, purchases, deliveries or shipments; the names and addresses of all persons to or from whom such sales, purchases, deliveries or shipments are made; the quantities and kinds of alcoholic beverages sold and delivered or shipped and the prices charged therefore and the taxes applicable thereto, if any. Every manufacturer and wholesaler, at the time of delivering alcoholic beverages to any person, shall also prepare a duplicate invoice showing the date of delivery, the quantity and value of each delivery and the name of the purchaser to whom the delivery is made.

ITEM 10. TAX EXEMPT SALES WHOLESALE TO WHOLESALE (SCHEDULE B)

Each order of malt beverage transferred to a Virginia wholesaler during the month shall be listed in complete detail on Schedule B, The total quantity shipped during the month for each container size and container per case is to be entered in Item 10.

ITEM 11. NET TAXABLE QUANTITY SOLD DURING MONTH (ITEM 7 LESS ITEMS 8, 9 & 10)

Total cases stocked minus Tax Exempt Sales (Military, Out of State, and Wholesale to wholesale).

ITEM 12. TOTAL CONTAINERS PER CASE

This identifies the number of containers found in a case.

ITEM 13. RATE OF TAX

The tax rate per one container size.

ITEM 14. AMOUNT OF TAX DUE

For calculation of malt beverage tax. Net Taxable Quantity Sold during month (X) containers per case (X) rate (=) Amount due.

NOTE: If you are using a Microsoft Excel template to perform automatic calculations on your Malt Beverage Tax Report, the following formula must be used:

The “Amount of Total Tax Due”: $=+Round((Column11*Column12)*Column13,2)$ Example: $=+ROUND((K5*L5)*M5,2)$

The use of this formula allows the table to report the correct amount when summed at the bottom of the page.

ROTATION AND EXCHANGE OF STOCKS OF RETAILERS BY WHOLESALERS

For the purpose of maintaining the freshness of the stock and the integrity of the products sold by him, a beer wholesaler may perform, except on Sundays in jurisdictions where local ordinances restrict Sunday sales of alcoholic beverages, the following services for a retailer upon consent, which may be a continuing consent, of the retailer:

1. Rotate, repack and rearrange beer in a display (shelves, coolers, cold boxes, and the like, and floor displays in a sales area);
2. Restock beer;
3. Rotate, repack, rearrange and add to his own stocks of beer in a storeroom space assigned to him by the retailer;
4. Transfer beer between storerooms, between displays, and between storerooms and displays; and
5. Create or build original displays using beer products only.

B. Prohibited acts. A wholesaler may not:

1. Alter or disturb in any way the merchandise sold by another wholesaler, whether in a display, sales area or storeroom except in the following cases:

- a. When the products of one wholesaler have been erroneously placed in the area previously assigned by the retailer to another wholesaler; or
- b. When a floor display area previously assigned by a retailer to one wholesaler has been reassigned by the retailer to another wholesaler;

2. Mark or affix retail prices to products.

PICKUPS FROM RETAILERS

Sell or offer to sell alcoholic beverages to a retailer with the privilege of return, except for ordinary and usual commercial reasons as set forth below:

- a. Products defective at the time of delivery may be replaced;**
- b. Products erroneously delivered may be replaced or money refunded;**
- c. Products that a manufacturer discontinues nationally may be returned and money refunded;**
- d. Resalable draft beer may be returned and money refunded;**
- e. Products in the possession of a retail licensee whose license is terminated by operation of law, voluntary surrender or order of the board may be returned and money refunded upon permit issued by the board;**
- f. Products which have been condemned and are not permitted to be sold in this Commonwealth may be replaced or money refunded upon permit issued by the board; or**
- g. Beer may be exchanged on an identical quantity and brand basis for quality control purposes. Any such exchange shall be documented by the word "exchange" on the proper invoice.**

Each pickup Invoice must include the following information:

- (1) Retailer's license number (all digits) and complete address**
- (2) Wholesalers name and complete address**
- (3) Pickup date**
- (4) Number of cases picked up**
- (5) Container size/Container per case**
- (6) Code number issued by Virginia A.B.C. Board**
- (7) Brand name and type of malt beverage**
- (8) Reason for pickup i.e., erroneous delivery, defective merchandise, out of business or condemned merchandise**
- (11) Signature of wine wholesaler and retailer.**

Note: Total cases picked up from Virginia Retailers are to be included in your ending inventory (Item 6). This will reduce Net Taxable Quantity sold during the month and adjust taxes paid. Military pickups are to be added to Tax Exempt Sales & Military (Item 8) as a negative. Pickups from Out of State Retailers are to be added to Tax Exempt Sales Out of State (Item 9) as a negative. This will add the Military and Out of State Retailer pickups back to Inventory at end of month without affecting the taxes paid.

REPACKS

Products that are broken spoiled or damage are to be moved to a designated area. The total cases are to be reported on the tax summary Page in Item 5. Any containers that are salvageable may be repacked. Repacked products are to be reported on the bottom of Schedule A and added to Quantity Purchased or Received during month on the tax summary page in Item 3. Repacks are to be executed on a purchase order showing the wholesaler's importers license, wholesale license and complete address, container size/container per case, brand/type, signature and date.

ADJUSTMENTS

Any discrepancy in inventory count and purchase order count or if a discrepancy is discovered, the adjustments resulting from an overage are to be executed on a purchase order and reported on Schedule A (Purchased or Received Section) as a purchase order showing the date, purchase order number, showing as received from yourself, using your wholesaler's importers license, and total cases (container size/container per case) added to Quantity Purchased or Received during month on the tax summary page in Item 3.

SAMPLES

A wholesaler may give a retail licensee a sample serving or a container not then sold by such licensee of beer, which such wholesaler otherwise may sell to such retail licensee, provided that in a case of containers, the container does not exceed 52 fluid ounces in size (1.5 liters if in a metric-sized container) and the label bears the word "Sample" in lettering of reasonable size. Such samples may not be sold. All samples are subject to the taxes imposed on sales by Title 4.1 of the Code of Virginia, and complete and accurate records shall be maintained.

The following listings may be obtained from our web site at no cost www.abc.virginia.gov under Laws And Enforcement, Tax Management Reports):

Brand Code Listing

Quarterly Code Listing

Brand Code List by Selected Supplier

An online version of the Malt Beverage Wholesaler's Tax Report form called WebTax is available on our website for wholesalers and breweries to electronically submit their Virginia ABC tax reports. To participate in this program please contact the Tax Management Section either by e-mail at TaxExaminer@abc.virginia.gov telephone at (804) 213-2039, or via mail.

Wholesalers who wish to order monthly beer reports directly from the Printer or wish to use their own computer generated form must contact this Department (Tax Management Section) for necessary changes and approval before ordering.

If you have any questions please contact this Department at (804) 213-2039.

Ramona Howell, Manager
Tax Management Section
Financial Management Services

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