

# DIVISION OF ALCOHOL AND TOBACCO CONTROL

**Michael L. Parson**  
Governor

**Sandra K. Karsten**  
Director, Public Safety



**Dorothy E. Taylor**  
State Supervisor

## INDUSTRY CIRCULAR

### **Excise Tax Reporting – When to Pay for On Premise Retailers**

**Effective January 1, 2020 for February 15, 2020 Excise Tax Report**

ATC has come across inconsistencies in how instate manufacturers report transfers of intoxicating liquor to their retail license, and when excise taxes are paid on these transfers. ATC is providing additional clarification to clear up confusion on reporting and paying excise taxes on these transfers.

Typically, the top tier (solicitor or manufacturer) reports and pays excise taxes on product transferred/sold to a wholesaler during the month on the 15<sup>th</sup> of the following month, as required by Section [311.553](#).

When the manufacturer transfers or sells product to their own retail license, the same process should be followed. Instate manufacturers should pay excise taxes on all products moved to the retail premises and report such as on premise sales. Any products that are on the retail sales floor, to include retailer coolers or refrigerators or on shelves, must be tax paid. Once the product is tax paid, it should not be intermingled with untaxed product. If a manufacturer keeps inventory in the warehouse that is both tax paid and untaxed, there should be a clear separation of the inventory.

The only exception to this process is when a retailer sells product to consumers directly from a large bulk tank piped from the warehouse. In this circumstance, the manufacturer should report and pay excise taxes on the sales made directly from the tank as on premises sales in the following month.

If you currently have untaxed product on your retail sales floor or restaurant, you must report and pay taxes on all inventory located on the retail premises by February 15, for the month of January 2020.

*Continued on the next page*

1738 E. Elm, Lower Level, Jefferson City, MO 65101  
P.O. Box 837, Jefferson City, Missouri 65102-0837  
Voice 573-751-2964; FAX 573-526-4369

<http://www.atc.dps.mo.gov>  
<http://www.facebook.com/atcmogov/>

*Issued: December 26, 2019*

A summary of excise tax reporting requirements are as follows:

**‘On Premise Sales’ consists of tax-paid inventory and includes:** all product transferred to the retail license (for on premise sales or off-premise catering events); all bulk product dispensed directly from the tank for on-premise consumption; all product used for tastings where customers are charged, directly or indirectly, under the retail license; and, product donations for events.  
**Please note that excise taxes collected for on premise sales will not qualify for credits.**

**‘Out of State Sales’ must come from untaxed inventory and includes:** products that are shipped out of state; products used for free tastings under the manufacturer license; and, product used for family.

**Products sold to wholesalers must come from untaxed inventory.** Sales to wholesalers must be reported by the manufacturer under the invoice tab.

**Wine products shipped directly to consumers using the wine direct shippers license must come from untaxed inventory.** These transactions must be reported as “Direct Ship Sales” on the annual wine direct shippers excise tax report due in January of each year.

If you have any questions, feel free to contact the Compliance Section at (573) 751-5444 or (573) 751-5452.