

**STATE OF NEW JERSEY
DIVISION OF TAXATION
Alcoholic Beverage Tax**

Instructions for Alcoholic Beverage Tax Reports.

Schedule Chart

Taxpayer should complete schedules indicated by "X" for its respective class*

Class of Taxpayer	Control Sheet #	A	A-E	B	B-W	C	D	D-W	E	F	H	J	M	M-N	N	R	RR	S	T	WR-1	WR-2	WR-3	WR-4
Brewery	R-1	X			X		X		X	X	X	X											
Winery	R-1-W	X			X	X		X	X	X	X												
Distillery	R-1	X		X	X		X		X	X	X												
Rectifier/Blender	R-1	X		X	X		X		X	X	X												
Restricted Brewery	RB-1																						
Wholesaler, Broker	R-2	X			X		X		X	X	X												
State Bev. Dist.	R-2	X			X		X		X	X	X												
(I.C.C. Carriers) Plenary Retail Tran.	R-27		X		X		X				X												
Plenary Retail Tran.	R-27A		X								X												
Warehouse	R-28																			X	X	X	X
Public Warehouse	R-23															X	X	X	X				X
Transportation	R-15												X		X								
Transportation Special Permit	R-37													X									
Special Permit - SM	R-37													X									

* If required by operations

1. Please read all instructions carefully before executing returns.

- (a) Reference numbers (New Jersey Administrative Code) have been designated according to the regulations issued by the Director, Division of Administrative Procedure, pursuant to P.L. 1968, C-410. For information, forms, etc., address all requests to the Division of Taxation, Alcoholic Beverage Tax Section, PO Box 241, Trenton, New Jersey 08695-0241.
- (b) Instructions for completing returns (i.e., taxpayer name, address, type of license, control sheet and individual schedules) are indicated below.

2. Reports in General

An alcoholic beverage tax report must disclose all transactions in alcoholic beverages, warehouse receipts and contracts during the period covered by the report. This report is to consist of a control sheet supported by detailed information to be given on schedules (please refer to the Schedule Chart).

3. Tax Rates

The Alcoholic Beverage Tax Law levies and imposes upon any sale of alcoholic beverages within this State, or upon any delivery of alcoholic beverages within or into this State, the following excise taxes:

- (a) Beer - at the rate of \$0.12 a gallon or fraction thereof.
- (b) Liquors - at the rate of \$5.50 a gallon.
- (c) Wines, vermouth and sparkling wines (including apple cider containing more than 7% of alcohol by volume) at the rate of \$0.875 a gallon.
- (d) Apple cider containing at least 3.2% of alcohol by volume but not more than 7% of alcohol by volume at the rate of \$0.15 a gallon.

4. Due Date of Tax and Reports

All reports and any tax due are to be paid not later than the 15th day of the month next following the reporting period in which the sales or deliveries were made. If the 15th falls on a Saturday, Sunday, legal holiday or bank holiday, the report and tax payment, if forwarded by mail, will be considered timely if the envelope bears the postmark of the next business day.

5. Reporting Period

All reports cover a two-month period or part of a bimonthly period that a license is in force, even though during that time no business is transacted under the license, N.J.A.C. 18:3-7.1. The periods are January/February, March/April, May/June, July/August, September/October and November/December.

6. Payment of Tax

All payments are to be paid by check or money order drawn to the order of the "State of New Jersey, Beverage Tax" and forwarded to the address specified at the top of the Control Sheet.

7. Consolidated Returns

Refer to N.J.A.C. 18:3-7.10.

8. Failure to File Report of Pay Tax

Every person who fails to file any report or pay any tax as required by the Alcoholic Beverage Tax Law on the day when the same is due is subject to penalty and interest as provided in the State Tax Uniform Procedure Law, N.J.S.A. 54:48-1 et seq.

9. Preservation of Reports

One complete copy of each report is to be kept on the premises of the licensee for three years for examination by the Director. N.J.A.C. 18:3-7.12.

10. Manner of Executing Reports

All reports are to be signed in the following manner:

- (a) If the licensee is an individual, by the licensee.
- (b) If the licensee is a partnership, by one of the partners.
- (c) If the licensee is a corporation, by one of the officers of the corporation, or by its authorized agent.
- (d) No report signed by the agent of a licensee will be accepted for filing, unless the licensee has filed with the Division of Taxation a written authorization for such agent on form R-3 prescribed by the Director.

- (e) New Jersey Wines - No report signed by the agent of a licensee will be accepted for filing. A report which reflects tax paid on wines made from 100% New Jersey grown fruit must be signed by an authorized officer of licensee.

11. Where Statements Disagree

If the statements or quantities shown in any part of this report do not agree with any other report made to another authority, or with the actual physical inventory, a detailed explanation must be attached to the report.

12. Reporting Required in Gallons

Where the report forms require an entry in gallons, the entry is to be made in wine gallons of 128 fluid ounces or decimal parts thereof and not in proof gallons.

13. Beer Gallons

If the total sales of beer as shown by the report results in a fractional part of a gallon, the tax is to be computed on the next higher whole gallon.

14. Control Sheets: Uniform Instructions

- (a) Licensee Name - must be identified as the issued (Alcoholic Beverage Control) name of licensee. Trade names currently used should be listed.
- (b) Federal Identification Number - assigned to the employer or vendor by the Internal Revenue Service.
- (c) Mailing Address - if different from street address, complete in detail showing any PO Box, etc., otherwise, write "same as above".
- (d) Type of License - fill in the type(s) and license number(s) (i.e. 3400-xx-xxx-xxx) that the report covers.
- (e) Reporting Period - must be bimonthly. Please see instructions on "Reporting Period". (See instruction 5).
- (f) Tax Payment - Please submit for the full amount of tax due, less any Beverage Tax Credit memorandums issued by the Division. There are no provisions for prepayments or unauthorized deductions from the tax due on the report.
- (g) Physical Inventories - are to be taken on the last day of each reporting period, even though a perpetual inventory record is maintained.
- (h) Report Contents - should be completed by identifying what material is attached. Any material not used should be indicated by the word "none".

15. Control Sheet for Manufacturers "R-1" and "R-1-W"

- Line 1 Enter combined totals from Schedule "D".
- Line 2 Enter total of all Schedule "E's".
- Line 3 Self-explanatory.
- Line 4 Enter Schedule "A" totals.
- Line 5 Self-explanatory.
- Line 6 Self-explanatory.
- Line 7 Enter total exemptions per Schedule "F" summary.
- Line 8 Self-explanatory.
- Line 9 Enter the totals of Schedule "H-3".
- Line 10 Tax Base: Line 8 minus Line 9
(*Special Note for Beer* - Amounts shown in fractional gallonage must be raised to the next higher whole gallon).
- Line 11 Tax Rates.
- Line 12 Line 10 multiplied by Line 11.

16. Control Sheet for Manufacturers "RB-1" - See instructions on Control Sheet.

17. Control Sheet for Wholesalers "R-2"

- Line 1 The actual physical count of all federal tax-paid beverages (on premises and in designated areas of New Jersey licensed Public Warehouses) in stock at the beginning of the two-month reporting period (from Statement of Physical Inventory).
- Line 2 Enter totals from Schedule "H-1".
- Line 3 Enter incoming returns from Schedules "H-3" and "H-4".
- Line 4 Self-explanatory.
- Line 5 Enter combined totals from Schedule "D".
- Line 6 Enter total of all Schedule "E's".
- Line 7 Self-explanatory.
- Line 8 Enter Schedule "A" totals.
- Line 9 Self-explanatory.

- Line 10 Enter the actual physical count of all federal tax-paid beverages, end of period (from Statement of Physical Inventory).

- Line 11 Self-explanatory.
- Line 12 Total exemptions per Schedule "F" summary.
- Line 13 Self-explanatory.
- Line 14 Enter the totals of Schedule "H-3".
- Line 15 Tax Base: Line 13 minus Line 14.
(*Special Note for Beer* - Amounts shown in fractional gallonage must be raised to the next higher whole gallon).
- Line 16 Tax Rates.
- Line 17 Line 15 multiplied by 16.

18. Control Sheet for Plenary Retail Transit Licensees "R-27" (I.C.C. Carriers)

- Line 1 Self-explanatory.
- Line 2 Enter totals from Schedule "H-1".
- Line 3 Enter total incoming returns accepted from dining cars, airlines, boats, and other carriers, (from Schedule H-4).
- Line 4 Self-explanatory.
- Line 5 Enter Schedule "A-E" totals.
- Line 6 Enter total releases from commissaries.
- Line 7 Enter any plus or minus adjustment necessary so that Lines 8 plus 9 will equal Line 4.
- Line 8 Self-explanatory.
- Line 9 Self-explanatory.
- Line 10 Self-explanatory.
- Line 11 Tax Base (from combined totals of Schedule "D").
- Line 12 Tax Rates.
- Line 13 Line 11 multiplied by Line 12.

19. Control Sheet for Plenary Retail Transit "R-27A"

Carriers not operating under I.C.C. Regulations and who do not post a Surety Bond).

Special Note: All carriers who operate under above definition are required to purchase alcoholic beverages which have had the tax prepaid (retail purchases).

- Line 1 Enter total physical inventory of tax pre-paid beverages on first day of period.
- Line 2 Enter form Schedule "H" totals, (from the reverse side).
- Line 3 Self-explanatory.
- Line 4 List all sales to consumers.
- Line 5 Combined total of miscellaneous sales, gifts, samples, donations, breakage, other dispositions.
- Line 6 Enter totals of Schedule "A-E".
- Line 7 Self-explanatory.
- Line 8 Total physical inventory of tax pre-paid beverages, end of period (Line 3 minus Line 7).
- Line 9 Breakdown of total gallonage figure shown on Line 8 & 10 (as indicated on control sheet).

20. Control Sheet for Warehouse Receipts Licensees "R-28"

Special Note: Warehouse receipts licensees, when purchasing or selling warehouse receipts (given upon the storage in New Jersey in a U.S. Internal Revenue or U.S. Customs warehouse under a Federal Bond) are to report the purchase or sale of the receipt.

- Line 1 Self-explanatory.
- Line 2 Enter total of Schedule WR-4. All alcohol and alcoholic beverages actually received in New Jersey by taxpayer as samples or otherwise.
- Line 3 Self-explanatory.
- Line 4 Report all samples or donations given out by taxpayer (Please refer to N.J.A.C. 18:3-7.7 for tax treatment of beverages given out).
- Line 5 Self-explanatory.
- Line 6 Repeat Line 4 (Tax Base).
- Line 7 Tax Rate.
- Line 8 Line 6 multiplied by Line 7.

21. Special Notes to Public Warehouse Licensees "R-23".

Complete Control Sheet in accordance with instruction number fourteen, where appropriate. New Jersey public warehouses are liable for the payment of the alcoholic beverage tax on alcohol or alcoholic beverages released to the holders of retail licenses or to any person not licensed in this State unless:

- (a) The alcoholic beverages were stored in the Federal tax paid section of the warehouse in the name of the retailer or by a State licensee; or,
- (b) The alcoholic beverages are released on the written order and from the stock of a State licensee; or,
- (c) The alcoholic beverages are released pursuant to a special permit and the tax on the sale or delivery has been paid as evidenced by a tax receipt issued by the Director and in the possession of the public warehouse licensee; or,
- (d) The alcoholic beverages are released in accordance with the provisions of N.J.A.C. 18:3-11.1 (temporary storage).

Enter total from Schedule "WR-4" on appropriate line of the control sheet. This is the taxable item due and payable with this report. WR-4 covers any alcoholic beverages broken or stolen during the reporting period. For rates see instruction 3. For further instructions see N.J.A.C. 18:3-11.1 through 11.13.

22. Special Note to Transportation Licensees and Special Permit - Limited Transportation Licensees "R-15" or "R-37"

Complete Control Sheet in accordance with instruction 14, where appropriate.

A licensed transporter is entitled to exemption from tax on delivery of alcoholic beverages in this State only:

- (a) When the delivery from outside this State is made by order of or to a State licensee; or,
- (b) If delivery or disposition of beverages in this State is made to a State licensee when the tax has been previously paid; or,
- (c) The transporter delivers all beverages in his custody; or,
- (d) Proof is furnished satisfactory to the Director of deliveries or imports which are made out of the State. Please refer to N.J.A.C. 18:3-12.1 through 12.11.

23. Special Notes to Special Permit - S M Licensees "R-37"

This is filed in conjunction with the Special Permit-Limited Transportation License. Use Control Sheet "R-37" and Schedule "M-N" and follow instruction 23.

24. Schedule "A" - For details refer to N.J.A.C. 18:3-8.16 and 9.9.

A tax-exempt schedule used for sales and returns made within this State to State licensees, military organizations and licensed public warehouses, where the tax has been passed to the purchaser.

The following are to be listed by accounts, under separate headings:

- (a) Sales made and delivered to the licensed premises of wholesalers and distributors in New Jersey, and to public warehouses for the account of State licensees.
- (b) Sales to State licensees involving delivery from a point other than the seller's premises.
- (c) Authorized sales to voluntary unincorporated military organizations.
- (d) Sales with delivery to a public warehouse in New Jersey for temporary storage for the account of non-licensees.
- (e) Returns delivered to the premises of other State licensees, or to public warehouses within New Jersey.
- (f) Returns made to the actual source where delivery is to another licensee in New Jersey or to public warehouses within New Jersey.
- (g) Returns made for the account of a non-licensee source, delivered to State licensees or public warehouses within New Jersey.

25. Schedule "A-E" - For details see N.J.A.C. 18:3-13.8 and 14.16

A disposition schedule on which the licensee is to enter all returns made to State licensees from whom originally purchased, as evidenced by inventory credit memorandum.

Special Note to Plenary Retail Transit I.C.C. Carriers:

Also list returns to New Jersey licensees and other sources outside of New Jersey; transfers of alcoholic beverages from New Jersey commissaries or warehouses to others out-of-state. Document in detail returns to other than original sources. See N.J.A.C. 18:3-13.8, 18:3-6.11, 18:3-6.10.

26. Schedule "B"

This is an inventory control report of Federal tax-paid finished products. Indicate transactions or operations in appropriate columns or attach detailed explanation on a rider.

27. Schedule "B-W"

List all finished products which are withdrawn from bond in U.S. Internal Revenue or U.S. Customs warehouses and importations received ex-Customs at piers. Carry totals of each (including appraisal stores) to Schedule "H-1".

28. Schedule "C"

This is a winery inventory control schedule of both Federal bonded and Federal tax-paid (not I.R.S. or Customs) sections of a winery's premises and their merchandise in the Federal tax-paid sections of New Jersey licensed public warehouses. Complete as shown on schedule. This is also used by distillers who operate a winery under a distiller's license, but excludes still wine in fermenters or vermouth in processing tanks. Refer to N.J.A.C. 18:3-8.14.

29. Schedule "D"

This schedule covers all taxable "sales" (as defined by N.J.A.C. 18:3-1.2) of alcoholic beverages to retailers/consumers; and miscellaneous sales.

- (a) List by individual account totals, or by daily sales totals, all sales to consumers and retailers and then deduct cancellations. Sub-total all columns, and then:
- (b) List by line items manufacturer's samples, donations, miscellaneous sales; donations and samples given under special permit; thefts; sales to military concessionaries; Federal tax-paid beverages dumped without supervision; breakage, sales to plenary retail transit licensees on which tax has not been passed; Federal tax-paid beverages consumed on premises.
- (c) An adjustment for balancing to physical inventory will usually be necessary for the total of Schedule "D" to correctly balance with the actual physical count of the ending inventory. Any minus adjustment must be explained on a separate rider attached to the schedule.
- (d) Add (a), (b) and (c) above and carry the grand totals to the control sheet.

30. Schedule "D-W"

This schedule is for wineries only. All information required on Schedule "D" (see no. 29 above) applies to Schedule "D-W".

In addition, wineries must indicate the total direct shipment sales made to New Jersey consumers. The complete itemized list of direct shipment sales made to New Jersey consumers must be maintained by the winery for a minimum of three (3) years.

31. Schedule "E"

This is primarily a tax-exempt schedule employing a separate page for each State outside New Jersey into which alcoholic beverage deliveries were transported.

This is used in the following circumstances:

- (a) Sales for resale, consumption, non-beverage use and military use to points outside New Jersey.
- (b) Transfers of alcoholic beverages from licensee's New Jersey inventory (or withdrawals from bonded State warehouses) to taxpayer's location outside of New Jersey.
- (c) Returns of alcoholic beverages to out-of-state points.
- (d) As a New Jersey Schedule E, for listing sales of beverages for non-beverage use within New Jersey; inventory credit memoranda issued by this Division; deliveries of beverages to New Jersey steamships for out-of-state consumption or ship's supplies. For specifics refer to 18:3-8.18; 2.6, 3.7.

32. Schedule "F"

(a) Schedule "F" is to be used to enter the following:

- 1. A list of the Schedule "E" items by states, giving the total gallonage for each state, except New Jersey.
- 2. All certificates of nonbeverage use covering New Jersey sales submitted with the report for which exemption is claimed.
- 3. Each Division of Taxation inventory credit memo.
- 4. Affidavits covering deliveries to steamships.

(b) The combined total of the items listed under subsection (a) of this Section are to be entered on the control sheet of the report.

33. Schedule "H"

Special Note: Plenary Retail Transit Operators (not under I.C.C. supervision) and Special Permittees-Alcoholic Retailers should use Schedule "H" on reverse side of Control Sheet. It is self-explanatory.

Schedule H-1 - Beverages actually received by the licensee in New Jersey and includes beverages withdrawn from bonded sections of U.S. Customs/Internal Revenue warehouses and purchases delivered direct to other licensees and public warehouses for account of the reporting licensee.

Schedule H-2 - Alcoholic beverages in transit at the end of the reporting period.

Schedule H-3 - Incoming returns of alcoholic beverages for which inventory or credit memoranda have been issued and for which the original sale involved taxes being paid in the present or any previous report. Returns must be in sealed containers; and if not actually received, but delivered to another licensee, the name and license number of all parties must be shown.

Schedule H-4 - Incoming returns for which inventory or credit memoranda have been issued and on which tax credit is not claimed. Returns must be in sealed containers; and if not actually received, but delivered to another licensee, the name and license number of all parties must be shown. (For specifics of Schedule "H" refer to N.J.A.C. 18:3-8.20, 9.13, 13.6, 13.14 and 14.15).

34. Schedule "J"

This is a brewery inventory control schedule of Federal tax-paid finished products, and must be completed by all breweries. All items must be entered on the appropriate lines of the schedule. Use a separate rider if necessary.

SPECIAL NOTE - to Transportation Licensees filing Schedules "M", "N", or "M-N". It is not required that intra-state shipments be reported. List each transaction in alphabetical order or daily sequence and segregate Federal tax-paid shipments from "in-bond" shipments.

35. Schedule "M"

List each shipment of alcoholic beverages to a point outside of New Jersey from a point inside New Jersey during the bimonthly period. A separate Schedule "M" is to be used for each state into which deliveries were made.

36. Schedule "N"

List each shipment of alcoholic beverages to a point within New Jersey from a point outside New Jersey during the bimonthly period.

37. Schedule "M-N" (Special Permittees)

Schedule "M-N" is to contain a list of:

1. All deliveries of alcoholic beverages picked up at a place in New Jersey and delivered to a place outside of New Jersey.
2. All return shipments to the original sources within New Jersey from places outside of New Jersey.
3. All deliveries of alcoholic beverages transported to a pier in New Jersey or from one pier to another in New Jersey for reshipment to a place outside this State.

Deliveries and returns are to be listed separately on the schedule, each group properly headed. A separate Schedule "M-N" is to be used for each state into which deliveries were made.

SPECIAL NOTE - to Public Warehouse Licensees filing Schedules "R", "RR", "S", "T" and "WR-4". List each transaction in alphabetical order or daily sequence for bimonthly period.

38. Schedule "R"

List under separate headings:

1. All receipts of alcoholic beverages in the Federal bonded section of the warehouse, including transfers of title within the warehouse.
2. All alcoholic beverages bottled in bond, giving the name, address and license number for whom the alcoholic beverages were bottled.

39. Schedule "RR"

List all receipts of alcoholic beverages in the Federal tax-paid section of the warehouse, including transfers of title within the warehouse.

40. Schedule "S" - release for delivery in this State.

- (a) Schedule "S" is to contain a list under separate headings where delivery is to a consignee location within the State of New Jersey, of:
1. All transfers of alcoholic beverages "in-bond" including transfers of title within the warehouse.
 2. All releases of alcoholic beverages from the Federal bonded section of the warehouse.
 3. All releases of alcoholic beverages from the Federal tax-paid section of the warehouse, including transfers of title within the warehouse.

41. Schedule "T" - release for delivery outside this State.

- (a) Schedule "T" is to contain a list under separate headings, of any delivery to a consignee located outside of the State of New Jersey. The list is to contain:
1. All transfers of alcoholic beverages "in-bond".
 2. All releases of alcoholic beverages from the Federal bonded section of the warehouse.
 3. All releases of alcoholic beverages from the Federal tax-paid section of the warehouse.
- (b) A separate Schedule "T" is to be used for each State into which deliveries were made.

42. Schedule "WR-4" - (Public Warehouse Licensees)

To be used by Public Warehouse licensees in listing, by accounts, quantities of any alcoholic beverages broken or stolen during the reporting period.

43. Schedule "WR-1" - Purchases of Warehouse Receipts

Itemize all transactions in purchasing, accepting or otherwise obtaining or acquiring warehouse receipts given upon the storage of alcoholic beverages in New Jersey in a U.S. Internal Revenue or Customs warehouse under Federal bond.

44. Schedule "WR-2" - Sales of Warehouse Receipts

Schedule "WR-2" is to contain a list of all sales (to any person having a New Jersey license or known to have a New Jersey address). Include:

1. Warehouse receipts given upon the storage of alcoholic beverages in New Jersey in a U.S. Internal Revenue or Customs warehouse under Federal Bond.
2. All other receipts, certificates, contracts or other documents given upon the storage of alcoholic beverages in Federal tax-paid sections of a New Jersey licensed public warehouse.
3. List above categories separately and alphabetically by account name.

45. Schedule "WR-3" - Inventory of Warehouse Receipts

List all warehouse receipts and all other receipts, certificates, contracts or other documents given upon the storage of alcoholic beverages in New Jersey or representing the same, of which the licensee is the owner.

46. Schedule "WR-4" - (Warehouse Receipts Licensees)

Schedule "WR-4" is to contain a list of all alcoholic beverages actually received in New Jersey, as samples or otherwise, from any source whatsoever.

Each column must be completed in its entirety.

If any alcoholic beverages received cannot be definitely identified with the number of a warehouse receipt, receipt, certificate, contract, agreement, or other document of which the licensee is the owner at the time of receiving the beverages, give a complete explanation including the name, address, and license number of the person from whom the beverages were received.