



2023-2024 General Assembly

SENATE BILL 527: ABC Omnibus 2023-24, Sec. 35: Clarify Due Date of Returns/Tax and Clarify When Excise Taxes for Alcoholic Beverages Must Be Paid

Committee:
Introduced by:
Analysis of: Sec. 35 of S.L. 2024-41

Date: August 13, 2024
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Staff Attorney

OVERVIEW: Section 35 of S.L. 2024-41 clarifies the due dates for returns and payment of alcohol excise tax, clarifies that certain reports must be submitted even if tax is not due, and allows the Department of Revenue to request a copy of an agreement between breweries or wineries and their wholesalers transferring the remittance obligation to the wholesaler.

This section, as included in this act, became effective July 8, 2024. However, the identical provision was enacted in [Section 3.1 of S.L. 2024-28](#), which became effective July 1, 2024. Therefore, as a practical matter, the substance of this section became effective July 1, 2024.

CURRENT LAW: There is no explicit return requirement for local ABC boards and distilleries, only for payment of the tax. Moreover, the statute for a wine shipper permittee does not set a due date for the tax, and the statute is unclear whether a resident wholesaler or importer must submit a report if tax is not due.

BILL ANALYSIS: Section 35 of S.L. 2024-41 clarifies the due dates for returns and payment of alcohol excise tax. Under this section, the timing for when tax must be paid is now uniform for all taxpayers and is based on when the alcoholic beverage is first sold or otherwise disposed of in this State.

This section also allows the Department of Revenue to request the agreement between breweries and wineries with their wholesalers to ensure that the breweries and wineries are meeting their statutory requirements of transferring the tax remittance obligation to the wholesaler.

EFFECTIVE DATE: This section, as included in this act, became effective July 8, 2024. However, the identical provision was enacted in Section 3.1 of S.L. 2024-28, which became effective July 1, 2024. Therefore, as a practical matter, the substance of this section became effective July 1, 2024.

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Legislative Analysis
Division
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