

Schedule E – Microbrew Pub Monthly Beer Manufacturer Report Electronic Filing Instructions

North Dakota Century Code (N.D.C.C.) § 5-01-14 provides that microbrew pubs must be licensed and shall report and pay tax based on the total gallons sold directly to consumers during the preceding calendar month at a rate set forth in N.D.C.C. § 5-03-07. The tax reports must be submitted on forms and in a format prescribed by the Office of State Tax Commissioner. The Commissioner has designated “Schedule E” as the microbrew pub tax report form to be used for reporting and paying tax and is to be filed electronically. Schedule E is a monthly report that is due on or before the fifteenth day of each month following the month of beer production or sales and is required even if no production or sales took place.

N.D.C.C. § 5-03-06 provides that for failure to pay such tax on the date payment is due, there must be added to the tax a penalty of five percent of the total amount of the tax or five dollars, whichever is greater, plus interest of one percent of the tax per month or fraction of a month of delay, except the month the return or tax becomes due; and failing to furnish reports when required must be assessed a penalty of one hundred dollars for each day such reports are delinquent.

For purposes of this report, the following definition applies:

“**Beer**” means any malt beverage containing one-half of one percent or more of alcohol by volume.

Schedule E Filing Instructions

Report Period: Enter the reporting calendar year and month in the YYYYMM format (i.e., 201002).

Original or Amended Return: Enter “O” for original return or an “A” for amended return.

Microbrew Pub Name: Enter the name you have on your N.D. Beer Manufacturer License.

Microbrew Pub FEIN: Enter the company assigned 9 character Federal ID Number with no hyphens.

ND Beer Manufacturer License #: Enter your 5 character N.D. Beer Manufacturer License number.

Address, City, State, and Zip Code: Enter the Microbrew Pub’s mailing address using US Postal Code formatting.

Phone Number: Enter the phone number of the contact person.

Email Address: Enter the contact person’s email address.

► **Enter all bulk beer in wine gallons rounded to two decimal places:**

► **Calculation formulas have been provided in highlighted fields of the Excel spreadsheet.**

Line 1: **Enter** the beginning beer inventory gallons for the reporting period. This would be ending inventory reported on your last report.

Line 2: **Enter** the gallons of beer produced during the month which is ready for sale or use.

Line 3: Calculates total beer gallons available, Lines 1 plus Line 2.

Line 4: **Enter** the gallons of beer removed from inventory that cannot be sold or used for some reason.

Line 5: **Enter** the gallons of beer removed from inventory for tasting or personal use.

Line 6: **Enter** the total gallons of beer sold to wholesalers during the month carried from the Schedule C Supplier’s Monthly Beer Report of Sales to ND Wholesalers. The wholesaler will be responsible for paying the alcohol tax on these transactions.

- Line 7: **Enter** the gallons of beer sold at retail during the month.
- Line 8: Calculates ending inventory, Line 3 minus lines 4, 5, 6, and 7. This is the ending inventory and must be brought forward to Line 1 on the next report.
- Line 9: Tax rate for bulk beer gallons is \$.08.
- Line 10: Calculates total tax due, Line 7 times Line 9.
- Line 11: **If filing an amended return, enter** previously paid tax from previously filed return for this reporting period.
- Line 12: Calculates total tax due with this report, Line 10 minus Line 11.
- Line 13: **Enter** any penalty due on late returns (5% of tax due or \$5.00, whichever is greater).
- Line 14: **Enter** any interest due on late returns (1% of tax due per month except for 1st month late).
- Line 15: Calculates total tax, penalty, and interest due, sum of Lines 12, 13, and 14.
- Line 16: **Enter the total amount remitted with this report.** This will be the amount you want drawn from your account using ACH Debit or the amount of your check

Electronic Report:

Save a copy of the report in the Excel format for your records.

Attach the completed Schedule E report in the Excel format to an e-mail, enter your 5 character microbrew pub license number in the subject line, and submit the e-mail to alcoholtax@nd.gov. Send only one Schedule E report per e-mail. Electronic reports must be submitted by the due date to be considered timely filed.

Watch for an email reply either (1) confirming receipt of the report which was able to be processed, OR (2) a reply informing you that your report was not correct and would not process. If you get an email stating that your report would not process, you must correct the reporting errors and resend the report until you get confirmation that it was acceptable and would process. Reports which are received but which cannot be processed are not considered filed and may cause failure to file penalties to occur if the report is not corrected on or before the due date.

Payment Instructions

• ACH Debit Payment Method:

An Automated Clearing House (ACH) Debit is a banking term for the electronic transfer of funds in which the state contacts its bank to initiate the transfer of funds from your bank account to the state's account. The state pays the transaction costs for ACH Debit. If you choose this payment option, you will be able to file your report at any time on or before the due date and the payment amount indicated on your report will be requested from your bank on the due date. Original reports filed after the due date will have the ACH Debit transaction occur the next business day. ACH Debit will not be a payment option available for amended reports; a check with a payment voucher will be required for the additional amount due.

To register for ACH Debit, go to <http://www.nd.gov/tax/alcohol/elecfilling/> and click on ACH Debit.

Note: Registration for ACH Debit must be complete on or before the day you submit your electronic return – see detailed instructions and limitations under ACH Debit.

● **Check Payment Method:**

A check for payment of an electronic report will require a voucher to insure that the payment can be properly matched to the appropriate report. You will be required to complete a “Beer Check Payment Voucher”, tax type 94, for the Schedule E report you are paying and submit it with your check.

A copy of the check voucher for this report is also attached as an additional sheet on the Schedule E report form.

The check and voucher must be postmarked by the due date of the return to be considered timely filed.

Make sure your check and voucher are for the same total amount and that the voucher matches the amount of the payment you entered on the report coversheet

Amending Schedule E Reports

Amended reports will be necessary when a Schedule E report was incorrect any month. To correct an original report, a “**total replacement**” amended report will have to be electronically submitted.

Enter an “A” for amended report instead of an “O” for original report on the Schedule E coversheet. After completing the report as it should have been reported, enter the amount of tax “previously paid” in Line 11 so that Line 12 reflects the tax due or overpaid as a result of the new information. Previously paid tax entered on Line 11 would be the tax paid with the original return for that period.

If the amount in Line 12 shows tax due, calculate and enter the penalty due on late returns (5% of total tax due on line 12 or \$5.00, whichever is greater) on Line 13 and enter interest on late returns if applicable (1% of tax due per month except for month after the return or tax becomes due) on Line 14. Line 15 automatically calculates the total tax, penalty and interest due. Enter the amount of your payment on Line 16 - **payment must be made using a check and voucher, ACH Debit is not available for amended reports**. If an overpayment results from the amended report, zero should be entered on Line 16 and a refund will be issued.

Contacts:

Taxpayer Assistance: (701) 328-2702
FAX Number: (701) 328-0336
E-mail: alcoholtax@nd.gov
Web Site Address: www.nd.gov/tax

Mailing Address:

Sales & Special Taxes Compliance Section
Office of State Tax Commissioner
600 E Boulevard Ave. Dept. 127
Bismarck, ND 58505-0599