



NORTH DAKOTA OFFICE OF STATE TAX COMMISSIONER GUIDELINE - ALCOHOL TAX: ALCOHOL LOGISTICS SHIPPERS

The North Dakota Office of State Tax Commissioner is responsible for the administration of North Dakota Century Code (N.D.C.C.) Title 5 laws relating to the licensing, taxation, and regulation of alcoholic beverage brewers and wholesalers in North Dakota. An alcohol logistics shipper may apply for a North Dakota Alcoholic Beverage Logistics Shipper License under N.D.C.C. § 5-01-16.

LICENSING

The North Dakota Alcoholic Beverage Logistics Shipper License is an annual license which covers fulfillment house services provided to a licensed direct shipper. The business must also be a licensed in their home state.

The first step to becoming a licensed alcoholic beverage logistics shipper is to apply for [Application for Alcoholic Beverage Logistics Shipper License](http://www.nd.gov/tax/alcoholtax/forms) (www.nd.gov/tax/alcoholtax/forms). The following items must be submitted with the completed application:

- A copy of the permit issued by your state of residence
- A copy of the business' organizational documents, i.e., articles of organization, LLC operating agreement, or partnership agreement
- \$100.00 annual license fee

North Dakota Alcoholic Beverage Logistics Shipper Licenses are annual licenses with a December 31st expiration date. The renewal process will be completed through the taxpayer's North Dakota Taxpayer Access Point (ND TAP) account, with a notification being sent in November. License renewals must be submitted to the Office of State Tax Commissioner before December 1st for the licensed premises to maintain continuous operations.

A North Dakota Alcoholic Beverage Logistics Shipper License may be suspended or revoked, or denied for renewal, for a violation of any applicable N.D.C.C. Title 5 provision if the licensee engages in any activity that does not comply with all statutes or regulations pertaining to logistics shippers. A logistics shipper is entitled to an administrative hearing before its license may be suspended, revoked, or denied for renewal.

OPERATING ACTIVITIES

North Dakota Alcoholic Beverage Carriers are authorized to engage in the following activities as allowed by N.D.C.C. Title 5:

- Provide warehousing, packaging, distribution, order processing and/or shipment of alcoholic beverages on behalf of a licensed direct shipper.
- Ship directly to a residence in North Dakota using a licensed alcohol carrier.
- Label all containers shipped with the words "SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY".

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TAX REPORTING AND RECORD KEEPING

Wholesale Excise Tax - North Dakota alcoholic beverage logistic shippers are not subject to North Dakota wholesale excise tax. When a licensed North Dakota alcoholic beverage logistics shipper ships alcoholic beverage products to consumers they will report details of the shipment as outlined under N.D.C.C. § 5-01-16.

Reporting Schedules and Returns – An alcoholic beverage logistics shipper must complete and submit the following reporting forms to the Office of State Tax Commissioner. The Schedule L must be filed through the ND TAP (www.nd.gov/tax/tap). These forms and instructions are available at www.nd.gov/tax/alcohol/efile and www.nd.gov/tax/salesanduse/forms.

Monthly Reports - Schedule L: A monthly report where alcoholic beverage logistics shipper reports all North Dakota shipments. The Schedule L report due date is the last day of each month, following the month of sale. Zero reports are required for the Schedule L. This report is required to be filed electronically through the ND TAP (www.nd.gov/tax/tap).

Record Keeping - An alcoholic beverage logistics shipper must maintain detailed records for all sales to North Dakota consumers.

AUDIT

The Office of State Tax Commissioner may at any reasonable time make an examination of the books of an alcoholic beverage logistics shipper to determine if it has fully complied with all statutes and rules pertaining to alcoholic beverage logistics shippers.

CONTACT INFORMATION

For more information on North Dakota alcohol taxes, please visit [Alcohol Tax \(www.nd.gov/tax/user/businesses/formspublications/alcohol-tax\)](http://www.nd.gov/tax/user/businesses/formspublications/alcohol-tax). If you have questions, please contact our office at alcoholtax@nd.gov or 701-328-2702.

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