



Revised 2019

Schedule E – Microbrew Pub Monthly Beer Manufacturer Report Filing Instructions

North Dakota Century Code (N.D.C.C.) § 5-01-14 provides that microbrew pubs must be licensed and will 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 monthly microbrew pub form to be used for reporting and paying tax and must 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 to be filed 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 5% 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.

Registration for Electronic Filing

Completed reports are to be filed electronically as required under North Dakota Century Code § 5-01 and § 5-03 on [Taxpayer Access Point \(TAP\)](#). Be sure you are submitting the report in the Excel .xls format prescribed by the Commissioner.

New users will need to register for TAP access at nd.gov/tax/tap. Please follow these steps to create your TAP account:

- Sign Up for Access
 - Create a TAP logon and password. An authorization code will be either mailed or emailed to you or the business depending on the access level chosen.
- Log into TAP
 - Once you receive your authorization code you may log into TAP. The authorization code is only used the very first time you log into TAP. You may discard the code after successfully logging into the system.
- Add access to account(s)
 - Once a user is logged in, he/she can request access to an account by selecting “Add / Grant Access” then “Add Access to Another Account” and enter the following information about the taxpayer and account:
 - Entity Type (Corporation, Sole Proprietor, etc.)
 - Identification Number (FEIN or SSN)
 - Type of Account (Beer Tax)

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- Account Number
- Letter ID (from a recent letter issued on the account).
- o Your TAP authorization code letter will not work for this step; it must be a letter specific to your beer tax account.

Reminders:

- Use the Schedule E report form designated for electronic filing.
- Each month begin with a new (blank) Schedule E report form.
- Do not edit any part of the Schedule E including headers, tab names, or add a space to an empty cell.
- Complete the Schedule E Worksheet if any beer manufactured is transferred in bulk to an affiliated Microbrew Pub. Failure to complete this worksheet will result in inventory numbers being inflated as well as additional tax, penalties, and interest being due.
- The Schedule E Worksheet header information automatically fills in from the information entered on the top portion of the Schedule E Coversheet.
- All beer transferred must be accounted for and will be reviewed for accuracy.
- Beer in bulk received from an affiliated microbrew pub must be entered as a Non-Taxable Deduction on your report, as tax is due from the microbrew pub that manufactured the beer.
- Enter all bulk beer in wine gallons rounded to two decimal places.
- Calculation formulas have been provided in highlighted fields of the Excel spreadsheet

For purposes of this report, the following definitions apply:

- **“Affiliated”** means related to the microbrew pub through an 85% or more common ownership, measured annually.
- **“Beer”** means any malt beverage containing one-half of one percent or more of alcohol by volume.
- **“Bottle or can”** means any container, regardless of the material it is made from, having a capacity less than one-sixth barrel for use in retail sales of malt beverages.
- **“Bulk”** means containers having a capacity of one-sixth barrel or more, for use in retail sales of malt beverages.

1. Complete the following information on the Schedule E Coversheet.

- **Report Period:** Enter the reporting calendar year and month in the YYYYMM format (i.e., 201901).
- **Original or Amended Return:** Enter “O” for original return or an “A” for amended return.
- **Microbrew Pub’s Name:** Enter the company’s name as shown on the North Dakota Beer Manufacturer License.
- **Microbrew Pub’s FEIN:** Enter the company’s 9-digit Federal Employer Identification Number with no hyphens.
- **Microbrew Pub’s FIVE DIGIT License Number:** Enter the company’s 5-digit North Dakota Beer Manufacturer License number.
- **Address, City, State, and Zip Code:** Enter the company’s mailing address.
- **Phone Number:** Enter the contact person’s phone number.
- **E-mail Address:** Enter the contact person’s email address.

2. If you have transferred manufactured beer in bulk to an affiliated microbrew pub, complete the Schedule E Worksheet.

- **Column 1:** Enter the North Dakota Microbrew Pub 5-digit license number of the microbrew pub receiving the bulk transfer of manufactured beer.
- **Column 2:** Enter the invoice date in the mm/dd/yyyy format (i.e., 01/25/2013).

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- **Column 3:** Enter the invoice number pertaining to the transfer.
- **Column 4:** Enter the licensed name of the microbrew pub receiving the bulk transfer of manufactured beer.
- **Column 5:** Enter the invoice delivery address. The delivery address must be the address on the North Dakota Microbrew Pub License. Delivery to any other address is not allowed.
- **Column 6:** Enter the invoice delivery city.
- **Column 7:** Enter the bulk beer gallons listed on the invoice. Round to two decimal places.

After the invoice information has been entered for all beer transferred to an affiliated microbrew pub, the total gallons will automatically calculate in Block A of this worksheet and will carry to line 13 on the coversheet.

3. Complete the Schedule E Coversheet.

- **Total Beer Gallons Available**
 - **Line 1:** Enter the beginning beer inventory gallons for the reporting period. This would be the ending inventory reported on line 18 of last month's report.
 - **Line 2:** Enter the gallons of beer produced during the month which is ready for sale or use.
 - **Line 3:** Enter the gallons of bulk beer received from an affiliated microbrew pub.
 - **Line 4:** Calculates total beer gallons available; the sum of lines 1, 2, and 3.
- **Non-Taxable Deductions**
 - **Line 5:** Carries forward the gallons of bulk beer transferred from an affiliated microbrew pub; line 3. The tax on these gallons is due from the microbrew pub that manufactured them.
 - **Line 6:** Enter the gallons of beer removed from inventory that cannot be sold or used.
 - **Line 7:** Enter the gallons of beer removed from inventory for tasting or personal use.
 - **Line 8:** Enter the total gallons of beer sold to wholesalers during the month from the Schedule C Supplier's Monthly Beer Report of Sales to North Dakota Wholesalers. The wholesalers are responsible for paying alcohol tax on these gallons.
 - **Line 9:** Enter the gallons of beer sold to wholesalers located outside of and not licensed in North Dakota. These sales are subject to the receiving state's laws.
 - **Line 10:** Calculates total deductible gallons that are not taxable for the month; the sum of lines 5, 6, 7, 8, and 9.
- **Taxable Sales**
 - **Line 11:** Enter the gallons of beer sold in bulk containers both on-sale and off-sale at the microbrew pub's location.
 - **Line 12:** Enter the gallons of beer sold in bulk containers at North Dakota licensed special events.
 - **Line 13:** Carries forward the total gallons of bulk beer transferred to an affiliated microbrew pub from the Schedule E Worksheet.
 - **Line 14:** Calculates the total amount of taxable bulk beer gallons; the sum of lines 11, 12, and 13.
 - **Line 15:** Enter the gallons of beer sold in bottles and cans, both on-sale and off-sale, at the microbrew pub's location.
 - **Line 16:** Enter the gallons of beer sold or dispensed, in bottles and cans, at North Dakota licensed special events.
 - **Line 17:** Calculates total amount of taxable bottle and can gallons; the sum of lines 15 and 16.
 - **Line 18:** Calculates ending inventory; line 4 minus lines 10, 14, and 17. This is the ending inventory and must be line 1 on the next month's Schedule E Coversheet.

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- **Tax Calculation**

- o **Line 19:** Calculates the total tax due on beer in bulk containers; line 14 multiplied by \$0.08 per gallon.
- o **Line 20:** Calculates the total tax due on beer in bottles and cans; line 17 multiplied by \$0.16 per gallon.
- o **Line 21:** Calculates the total tax due; line 19 plus line 20.
- o **Line 22:** If filing an amended return, enter previous tax paid for the original return filed for this reporting period.
- o **Line 23:** Calculates the total tax due for this report less any previous payments; line 21 less line 22.
- o **Line 24:** Enter a late payment penalty of \$5.00, or 5% of the total tax due, whichever is greater, if paying after the due date. Enter a late filing penalty of \$100.00 per day if this report is filed after the due date.
- o **Line 25:** Enter interest that has accrued if the report is being filed or paid after the due date. Interest accrues at a rate of 1% per month. Interest does not accrue during the first month a return is late.
- o **Line 26:** Calculates the total tax, penalty, and interest due; sum of lines 23, 24, and 25.
- o **Line 27:** Enter the total amount remitted with this report.

4. Save the Schedule E Report in the Excel .xls format. This document will be uploaded into TAP.

5. Submit the Schedule E Report on TAP.

- Log on to TAP using your TAP logon and password.
- Choose the account number for which the report needs to be submitted.
- Choose the filing period for which the report needs to be submitted.
- Click on the **File Now** link.
- Upload your Schedule E Report Excel file.
- Complete the required information and submit the report.

6. Make your Schedule E Report payment on TAP.

- Click on the Make A Payment link at the bottom of the TAP Confirmation Page.
- Choose from the four payment options
 - o **ACH Debit (Electronic Payment), most frequently used** - An ACH Debit authorizes the Office of State Tax Commissioner to debit a checking or savings account for a specified amount on a date you choose. There are no fees for using this payment type.
 - o **ACH Credit** - An ACH Credit is an electronic payment you initiate from your financial institution. Your financial institution may charge you a fee for using this payment type.
 - o **Credit Card** - Pay with a credit card through Fidelity National Information Services (FIS), an authorized IRS payment processor. A non-refundable convenience fee of 2.49% is charged by FIS for using this payment type.
 - o **Paper Check** - Mail a paper check to the Office of State Tax Commissioner using a payment voucher. The paper check and payment voucher must be postmarked by the US Postal Service by the due date to be considered timely.

Amending Schedule E Reports

Amended reports will be necessary when a Schedule E report was filed incorrectly. To correct an original report, a “total replacement” amended report must be electronically submitted.

1. Make the following changes on your Amended Schedule E Report:

- Enter an “A” for amended report instead of an “O” for original report on the Schedule E Coversheet.
- Update the Schedule E Worksheet to what should have been reported.
- Update the amounts on the Schedule E Coversheet to what should have been reported.
- Enter the amount of tax previously paid in line 22 of the Schedule E Coversheet. Line 23 will then reflect the additional tax due or the overpayment amount as a result of the updated information. Previously paid tax on line 22 means the tax paid with the original return for the reporting period.
- If the amount on line 23 shows tax due, calculate and enter the penalty due on late returns (5% of total tax due on line 23 or \$5.00, whichever is greater) on line 24 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 25.
- Line 26 automatically calculates the total tax, penalty and interest due.
- Enter the amount of your additional payment on line 27. If an amended return results in an overpayment, enter zero on line 27 and a refund will be issued.

2. Save the Amended Schedule E Report in the Excel .xls format. This amended document will be uploaded into TAP.

3. Submit the Amended Schedule E Report on TAP.

- Log on to TAP using your TAP logon and password.
- Choose the account number for which the report needs to be submitted.
- Choose the filing period for which the amended report needs to be submitted.
- Choose the File, amend or print a return link under the I WANT TO section.
- Upload the Amended Schedule E Report Excel file.
- Complete the required information and submit the report.
- Make your amended report payment through TAP, if additional payment is due.

If you have any questions regarding completing, submitting or paying your Schedule E – Microbrew Pub Monthly Beer Manufacturer Report, please contact our office.

Contacts:

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

Mailing Address:

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