

Schedule L

Licensed Logistics Shipper Monthly Report

Electronic Filing Instructions

North Dakota Century Code (N.D.C.C.) § 5-01-16 states that direct shipping, transporting, and delivery of alcoholic beverages direct to consumers in North Dakota by a person in the business of selling alcoholic beverages is illegal unless you are a licensed retailer or manufacturer in your state of domicile and obtain a (1) direct shipper license and (2) a sales and use tax permit; or are a Logistics Shipper or an Alcohol Carrier licensed in North Dakota and are shipping product from a licensed direct shipper. N.D.C.C. § 5-01-16(3) penalties apply for unlicensed persons shipping, causing to be shipped, or transporting alcoholic beverages direct to North Dakota consumers.

This Schedule L report applies to licensed logistics shippers, Schedule G (beer) and Schedule H (wine and liquor) reports apply to licensed direct shippers, and the Schedule M report applies to licensed alcohol carriers.

● Logistics Shipper License and Reporting Requirements ●

N.D.C.C. § 5-01-16 states that logistics shippers must obtain a logistics shipper license from the tax commissioner and shall pay an annual fee of one hundred dollars before making or causing a shipment of alcoholic beverage to be sent direct to an individual in this state.

The logistics shipper license is valid for one calendar year. Renewal notices are mailed out each year in November for the coming calendar year. Licenses must be renewed before the first day of the new calendar year and before any alcoholic beverages are shipped or caused to be shipped direct to individuals in this state during the new year.

A licensed logistics shippers shall ensure all containers of alcoholic beverages shipped directly to an individual in this state are labeled with conspicuous words “SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY”. All containers of alcoholic beverage shipped directly to a resident of this state must be shipped using a licensed alcohol carrier.

A licensed logistics shipper shall maintain records of alcoholic beverages shipped which include the license number and name of the licensed direct shipper, the license number and name of the licensed alcohol carrier, the date of each shipment, the quantity and kind of alcoholic beverages shipped, the recipient’s name and address for each shipment.

A licensed logistics shipper shall submit a report to the Commissioner on a monthly basis in the form and format prescribed by the Commissioner. The Commissioner has designated “Schedule L” as the Logistics Shipper’s monthly report form to be used for reporting shipments of alcohol direct to North Dakota consumers. Schedule L is a monthly report and is to be filed electronically using the following instructions and on the form prescribed by the Commissioner. If no shipments were made during the month, a zero report must be filed. Amended reports must also be filed electronically.

The report is due on the last day of the month following the month of shipment; if the due date falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the due date.

Licensed logistics shippers may not ship alcoholic beverages from an unlicensed direct shipper or through unlicensed alcohol carriers. For a violation, the licensed carrier is subject to the penalties in N.D.C.C. § 5-01-16(3). N.D.C.C. § 5-03-06 also applies for any reports required by this chapter, failure to furnish reports when required must be assessed a penalty of one hundred dollars for each day such reports are delinquent

For Schedule L purposes, the following definitions apply:

“**Alcoholic Beverages**” means any liquid suitable for drinking by human beings, which contains one-half of one percent or more of alcohol by volume.

“**Liquor**” means any alcoholic beverage except beer.

“**Alcohol**” means neutral spirits distilled at or above one hundred ninety degrees proof, whether or not such product is subsequently reduced, for nonindustrial use.

“**Distilled Spirits**” means any alcoholic beverage that is not beer, wine, sparkling wine, or alcohol.

“**Sparkling Wine or Champagne**” means **wine** made effervescent with carbon dioxide and is reported as wine.

“**Wine**” means the alcoholic beverage obtained by fermentation of agricultural products containing natural or added sugar or such beverage fortified with brandy and containing not more than twenty-four percent alcohol by volume.

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

“**Gallon**” means US wine gallon equal to 128 ounces.

“**Direct Shipper**” means a person that is licensed by the commissioner and ships or causes to be shipped alcoholic beverages directly into this state to a consumer for the consumer’s personal use and not for resale.

“**Licensed alcohol carrier**” means a person licensed to transport or deliver alcoholic beverages to a consumer without first having the alcoholic beverage delivered through a wholesaler licensed in this state.

“**Licensed logistics shipper**” means a person that provides fulfillment house services, including warehousing, packaging, distribution, order processing, or shipment of alcoholic beverages on behalf of a licensed direct shipper and by way of a licensed alcohol carrier.

“**Recipient**” means the North Dakota individual or consumer whose name appears on the package containing the alcoholic beverage.

● **Schedule L Filing Instructions** ●

➡ **Begin by completing the following fields under the report heading, do not leave any field blank, and always use the actual Schedule L report form designated by the tax commissioner:**

Report Period: Enter the calendar year and month covered on the report in the YYYYMM format (i.e., 201401).

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

Logistics Shipper’s Name: Enter the name you have on your N.D. Logistics Shipper License.

Logistics Shipper’s FEIN: Enter the company assigned 9 character Federal ID Number.

Logistics Shipper’s License Number: Enter your 5 character N.D. 60000 series license number.

Logistics Shipper’s Address, City, State, and Zip Code: Enter the mailing address using US Postal code formatting.

Logistics Shipper’s Phone Number: Enter the phone number of the contact person.

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

➡ Next, if any of the account information entered in the heading above has changed, check the box to update your license information in our office.

➡ Next, if no shipments were made during this reporting period, check the box for a zero report. Stop here and go to Electronic Filing Instructions below.

➡ If shipments were made during this reporting period, go to line 26 of the spreadsheet and enter all required information for each individual shipment of alcoholic beverages. **Do not leave any blank fields**, leaving blank fields in any column will cause the report to load incorrectly or suspend.

Column A: Enter the Recipient’s ship date using the correct format, i.e., mm/dd/yyyy.
A Recipient is the North Dakota consumer whose name appears on the package containing the alcoholic beverage.

Column B: Enter the Recipient’s Direct Shipment Tracking Number.

Column C: Enter the alcohol carrier N.D. license number which is a five-digit number in the 60000 series. Licensed alcohol carrier account numbers are listed on our web site www.nd.gov/tax under *Alcohol, Forms, Alcohol License List*; however, it is the logistics shipper’s responsibility to ensure that the alcohol carrier’s license is current.

Column D: Enter the alcohol carrier name.

Column E: Enter the direct shipper’s N.D. license number which is a five-digit number in the 90000 series. Licensed direct shipper account numbers are listed on our web site www.nd.gov/tax under *Alcohol, Form, Alcohol License List*; however it is the logistics shipper’s responsibility to ensure that the direct shipper’s license is current.

Column F: Enter the direct shipper’s name.

Column G: Enter the direct shipper’s street address.

Column H: Enter the direct shipper’s city location.

Column I: Enter the direct shipper's state location.

Column J: Enter the direct shipper's zip code.

Column K: Enter the Recipient's name.

Column L: Enter the Recipient's street address.

Column M: Enter the Recipient's city location.

Column N: Enter the Recipient's state location.

Column O: Enter the Recipient's zip code.

Column P: Enter the Product Description Code(s) as listed under Note C on form to reflect the kind of product being shipped under this transaction.

Code A = Alcohol which is a spirit at or above 190 proof

Code B = Beer which is a malt beverage

Code C = Cider


Code D = Distilled Spirits

Code W = Wine and Champagne

Column Q: Enter the alcohol gallons contained in the shipment, rounded to 2 decimal places. There is a conversion chart on our web site www.nd.gov/tax, under Alcohol, Electronic Filing, Liquor & Beer Package Conversion to Gallons Chart.

●Important filing Reminder●

Do not leave any field blank in the shipment reporting section. Leaving blank fields will cause the report to load incorrectly or suspend which means they will not load at all. Reports that suspend are not considered filed and failure to file penalties may apply. Reports that load incorrectly will not contain all of the information and must be amended.

 **Next, follow the instructions below to electronically file the Schedule L report.**

Electronically File Report

Step 1: Save a copy of this month's report in the Excel format for your records.

Step 2: Prepare an email to alcoholtax@nd.gov, enter your 5 digit license number in the subject line, and attach the completed Schedule M report. Be sure you are sending the report in the Excel format prescribed by the Commissioner. Send only one Schedule M report per email. Electronic reports must be submitted by the due date to be considered timely filed.

Step 3: 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 that are received but that cannot be processed are not considered filed and may cause penalties to occur if the report is not corrected on or before the due date.

Amending Schedule L Report Instructions

Amended reports will be necessary when a logistics shipper fails to report correctly. To correct an original report, a “**total replacement**” amended report will have to be electronically submitted.

The preparer will enter an “A” for amended report in the report heading instead of an “O” for original report on the amended Schedule L report. Complete the report as it should have been filed and submit it following the electronically file report instructions above.

Contact Information

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

Taxpayer Assistance: (701) 328-2702
(701) 328-3158
FAX Number: (701) 328-0336

Web Site Address: www.nd.gov/tax

Email Address: alcoholtax@nd.gov