

Alcoholic Beverage Industry Engagement

Alcohol eFile Application Training for Breweries

June 5, 2023 – 12:00pm



COMPTROLLER *of* MARYLAND

BROOKE E. LIERMAN

Agenda

1. Welcome – Robert Scheerer
2. Introduction of Training tools
 - New Alcoholic Beverage Terminology
 - Industry Concerns Addressed
 - Reviewing Form Instructions Ongoing
 - FAQ Expanded from Industry Engagement
 - Video Tutorials for Alcohol eFile
3. Video Tutorial for Alcohol eFile for Beer
3. Q & A Session - Open and Pre-submitted
4. Wrap Up

Alcohol Improvement Plan

Issues Addressed

- Payment restricted
- Business partner address restriction
- User functionality
- Contact info on eFile webpage
- Contact info on Business Taxes
- Alcohol Tax Information tab
- Confusion on which forms are needed to file

REVENUE ADMINISTRATION DIVISION
PRESENTS:

ALCOHOL EFILE

Distillery Virtual Training
June 2023

Video Tutorial for filing Brewery
form 376 tax return
and form 030 schedules
with Alcohol eFile Application at
www.Marylandtaxes.gov

Alcohol Industry Questions:

Q: The current report does not let us account for loss that occurs during the brewing/aging/transferring/packaging process. How do you want us to report that?

A: The brewing/aging/transferring/packaging processes are not reported to the state of Maryland. Our forms begin accounting for your beer product at its finished stage ready for sale.

Alcohol Industry Questions:

Q: Where do I find license numbers I must enter when using bFile (my searches on the database never locate any restaurant or store license numbers)?

A: The entities listed, restaurants and stores are considered retailers and have county-issued licenses. The alcohol tax forms refer to state-issued licenses and permits where requested. Manufacturer licensees are authorized to distribute to licensed wholesalers and to receive from licensed or permitted consignors/suppliers.

Alcohol Industry Questions:

Q: Which schedule do I use for MoCo ABS sales?

A: When delivering to the Montgomery County ABS warehouse, dispositions are entered on the schedule F for Maryland wholesalers.

Alcohol Industry Questions:

Q: We sell at farmers markets. Is a peddler's license also required in addition to our off-site permit?

A: The off-site permit issued by the ATCC allows you to conduct certain licensed activities away from your licensed location. The trader's licenses are issued by the Clerk of the Circuit Court in each county. There may be county-specific requirements that you will need to comply with. Please refer to the issuing authority to verify requirements for the location in question.

Alcohol Industry Questions:

Q: Is there a way to avoid looking up the extra four digits of zip codes when entering each sale into bFile?

A: We are working to simplify this process and will post an update to the application soon.

Alcohol Industry Questions:

Q: I have received the invoices for additional alcohol tax payments. Why would I receive these invoices?

A: There are various reasons that a notice or invoice may be sent. There could be a calculation error on the submitted return, a late payment receipt that triggers penalty and interest, or incorrect form information. For specific account billing or noticing questions, please contact us at:

Taxpayer Services (Business option)

TAXHELP@marylandtaxes.gov

410-260-7980 from Central Maryland or toll-free 1-800-638-2937

Alcohol Industry Questions:

Q: Can you clarify the filing requirements and tax liabilities of a brewery that is contract-only (i.e. licensed wholesale distro, not as a manufacturer)?

A: All Alcoholic Beverage licenses have a filing requirement. Brewery licenses authorize manufacturing activity. Please contact ATCC to verify that your license type is appropriate for your business activity.

Alcohol Industry Questions:

Q: There is no quarterly payment option for paying excise taxes online. How do I apply the payment?

A: When making an online payment, select the last month of the reporting period.

Alcohol Industry Questions:

Q: What does 'invoice' mean with regard to reporting your production, losses, etc.?

A: On the Maryland Alcohol Tax Return/Report forms, an invoice number is to uniquely identify a transaction in your records. Any combination of numeric, alpha, or special characters is accepted.

Alcohol Industry Questions:

Q: When reporting samples, there is no option in the drop-down menu for samples that are given or sold to customers.

A: Samples can indicate a wide range of transactions today. A good rule of thumb is to report all samples served in the Tasting Room, at Festivals and/or Special Permit Events on your G7 schedule. Use the form 034-10 to report samples that fit the reasons and purposes listed on the 034-10 form.

Alcohol Industry Questions:

Q: Annual Off-Site Permits are not being issued due to tax liabilities. This is the first time some members have heard that there were tax liabilities.

A: We are working on improving our noticing functionality to create timely and accurate billing statements.

Alcohol Industry Questions:

Q: Clarify that on the 037-2 Hard Seltzer is filed as beer, not other beer product.

A: Hard Seltzers that are malt-based beverages should be reported as Other Beer Products. The footnote on the 037-2 states, *Includes Coolers, Ciders, Mead, and Malternatives.

Alcohol Industry Questions:

Q: Is it correct that the 037-2 is filed for our M-8 as well as our W-7 reports?

A: For the M-8 license the 037-2 will report only the Taproom and off-site packaged sales attributed to the county of the license location. The W-7 license is authorized to sell to retailers and reports all counties where sales occur.

Alcohol Industry Questions:

Q: How does beer sold by the keg to a restaurant get reported on MD Form 376: Line 14 or Line 15 B?

A: Form 376 is a Brewery tax return, and manufacturers are authorized to sell to wholesalers. Wholesalers are authorized to sell to retailers. Wholesalers report on form 037.

Alcohol Industry Questions:

Q: MD Form 376: Does wasted beer get reported on Line 17?

A: Line 17 is to report dispositions that do not fit into the categories reflected on lines 14-16.

Alcohol Industry Questions:

Q: What is the correct way to report collaboration beers brewed off-site with the input of labor and ingredients by the participants but sold in part at the participant's brewery?

A: A licensed location has authorization to conduct specific activities. The production must occur at a licensed location and is to be reported by the authorized licensee. The disposition of the product can be transferred to other authorized entities.

Alcohol Industry Questions:

Q: Discuss the information needed on the M-8 Form 376 quarterly and the W-7 Form 037 monthly. Currently I am reporting all the beer we produce as the same for the M-8 and the W-7, since all the beer we make gets sold through our taproom. We just started distributing a few kegs in the spring to local restaurants. Please clarify how that gets reported.

A: The forms 376/037-2 capture quarterly Brewery manufacturer activity. Form 376 covers the brewery activity from production to disposition. Report the Taproom sales activity for both on and off-site consumption on the 037-2 for the county of the license location. The forms 037/037-2 capture wholesaler activity. Report all acquisitions from the manufacturer and the dispositions of sales to retailers for each county where a product is delivered.

Alcohol Industry Questions:

Q: I need to reset my passwords. Where do I find the rest link?

A: To reset your password, access the password reset link on the Alcohol eFile log-in page.

Thank you for joining!

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