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Authorized Distribution Agent Inventory and Invoice Adjustments

Below is an updated listing of the inventory and invoice adjustment descriptions that are to be used by authorized distribution agents to make adjustments to the invoice file. Please note that adjustment types 3 and 6 should not be transmitted in the invoice file.

Adjustment Type 2 (Merchandise Return Refund):

- This adjustment is for a prior day's sale. Merchandise has already been reported as sold. The licensee asked to return it at a later date.
- **This adjustment is also for breakage or dry breaker found by the licensee after delivery. It used to be sent to the Commission as a Type 6 adjustment, but Type 6 adjustments are now obsolete.**
- This is a refund adjustment affecting State inventory and cash collected.
- It is a money credit. It is to be entered on line 13 on the Daily Recap of Cash and Sales.
- It is to appear as a net dollar adjustment in the Total Record of the Adjusted Invoice file on the day the credit is given. However, it cannot have a negative dollar invoice.
- The code number and number of bottles are to be entered in the RO records of the Adjusted Invoice file on the day credit is given, so the bottles may be added back into the Available State-Owned Inventory totals. This does not affect the total number of bottles sold or the amount of gross dollar sales.

Adjustment Type 4 (Same Day Adjustment):

- This adjustment is for an order that was cancelled or changed to a lesser amount by a licensee. The order was deliverable in whole, but the licensee refused all or part of it.
- **This adjustment is also for carrier breakage found at delivery. It used to be sent to the Commission as a Type 3 adjustment, but Type 3 adjustments are now obsolete.**
- It changes the gross dollar amount of an invoice to a lesser amount. It also reduces bottles sold and net dollars.
- ADAs must report bottles originally ordered, bottles sold (delivered), and bottles adjusted in the RO record, so the adjusted bottles may be added back into the Available State-Owned Inventory totals.
- It does not appear on the Daily Recap of Cash and Sales. Gross Sales that do appear on the Daily Recap of Cash and Sales have already been reduced.

Adjustment Type 5 (Voluntary Return or Confiscation):

- This adjustment is for voluntary returns of liquor inventory to the Commission. A voluntary return requires a Commission Order.
- This adjustment is also for confiscations of liquor by Treasury and Enforcement.
- This adjustment type does not include police confiscations.
- It does not affect daily sales reported by the ADA on the Daily Recap of Cash and Sales.
- It does not appear on the Daily Recap of Cash and Sales.
- Code number and number of bottles returned only are entered in the RO record of the Adjusted Invoice file ("Bottles Adjusted" field) as a Type "5" adjustment, so the bottles can be added back into the Available State-Owned Inventory totals.
- Payments are handled through the Commission's Financial Management Division.

Adjustment Type 7 (Commission Adjustments):

- This adjustment is for correcting State sales and inventory. It is done by the Commission's Financial Management Division during reconciliation..

Overcharge/Undercharge Adjustment:

- This adjustment is for correcting pricing errors such as the wrong price being charged on a liquor code, a licensee writing a check with an incorrect amount, or a driver making a same day adjustment and not calculating the invoice correctly. All three of these examples result in the wrong amount being paid by the licensee.
- It is a dollar-only adjustment and should appear as a net dollar adjustment in the TO record of the Adjusted Invoice file on the day collection is made or credit is given.
- It appears on lines 11 and 12 on the Daily Recap of Cash and Sales (payment/collection for outstanding over/undercharges).
- It also appears on lines 15 and 16 on the Daily Recap of Cash and Sales (discovery of new over/undercharges which occurred "today").