



STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LIQUOR CONTROL COMMISSION

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In the matter of Requests for Beer Tax Credits and)
Refunds)
As it effects: Brewers and Micro Brewers)
_____)

At the meeting March 21, 2018 of the Michigan Liquor Control Commission
(Commission) in Lansing, Michigan.

PRESENT: Andrew J. Deloney, Chairman
Dennis Olshove, Commissioner

ADMINISTRATIVE ORDER NO. 2018-03
BEER TAX CREDITS AND REFUNDS

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. MCL 436.1201(2) provides the Commission with the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale thereof.

Under MCL 436.1409(8), regardless of whether the tax was remitted to this state by the eligible brewer or a designated wholesaler, an eligible brewer may claim a credit or request a refund, in a manner as determined by the Commission, against the tax levied under subsection (1) in the amount of \$2.00 per barrel for the first 30,000 barrels. As used in this subsection, "eligible brewer" means a brewer, whether or not located in this state, or brewpub that manufactures not more than 50,000 barrels of beer during the tax year for which the credit is claimed.

Under Michigan Administrative Code R 436.1621(1), each Michigan licensed wholesaler and each Michigan licensed brewer and Michigan licensed micro brewer that does not designate a wholesaler to pay the beer tax shall submit to the Commission, on forms acceptable to the Commission and postmarked no later than the fifteenth day of each month, a beer tax report of all beer sold in this state during the previous calendar month. The payment of the required beer excise tax due pursuant to section 409 of the act, MCL 436.1409, shall be submitted with the beer tax report.

Under MCL 436.1409(8) and administrative rule R 436.1621(1) and after review and discussion of these provisions at the meeting, the Commission finds that an Administrative Order establishing the process for claims for credits and requests for refunds by eligible brewers should be approved.

THEREFORE, IT IS ORDERED THAT:

- A. If an eligible brewer wishes to claim a credit or request a refund, the eligible brewer shall notify the Lansing office of the Commission, in writing, that the eligible brewer is claiming a credit or requesting a refund in the amount of \$2.00 per barrel. The eligible brewer may include their December beer tax report and payment with the written notification, or any time after paying the December beer tax. The eligible brewer's account with the Commission shall not have any outstanding liabilities, otherwise the brewer will not receive a credit or a refund.
- B. The eligible brewer shall not receive a credit or a refund until the previous calendar year's tax reports have been audited by the Commission's Financial Management Division.
- C. The eligible brewer shall include a copy of their Federal Brewer's Report of Operations form for the calendar year with the claim for credit or request for refund.

- D. When submitting their monthly beer tax payment and beer tax form, the eligible brewer shall pay the full tax and shall not apply a credit to the tax payment amount unless the eligible brewer or microbrewer has been issued a barrel credit letter by the Commission.

MICHIGAN LIQUOR CONTROL COMMISSION



Andrew J. Deloney, Chairman



Dennis Olshove, Commissioner