



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

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In the matter of Beer, Wine and Mixed Spirit Drink)
Tax Payment Procedures)
As it effects: Brewer, Brewpub, Wine Maker and)
Mixed Spirit Drink Manufacturer Licensees)
_____)

At the meeting March 23, 2018 of the Michigan Liquor Control Commission
(Commission) in Lansing, Michigan.

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

ADMINISTRATIVE ORDER NO. 2018-04
TAX PAYMENT PROCEDURES FOR BREWERS, BREWPUBS, WINE MAKERS AND
MIXED SPIRIT DRINK MANUFACTURERS

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(2), if the beer is manufactured in this state, the beer tax shall be paid by the brewer or brewpub who manufactured the beer unless the brewer or brewpub designates a wholesaler to pay the tax on behalf of the brewer or brewpub.

Under MCL 436.1409(3), the Commission shall establish by rule a method for the collection of the tax levied under subsection (1) and reporting requirements for

wholesalers, brewers, brewpubs, and outstate sellers of beer to verify the remission of taxes to this state.

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 Administrative Code R 436.1621(2), the beer excise tax report submitted pursuant to subrule (1) of this rule by a Michigan licensed wholesaler or Michigan licensed brewer or Michigan licensed micro brewer shall include all of the following information: (a) the total sales of beer made into this state during the period covered by the report (b) the total amount of the beer excise tax due (c) the date upon which each sale of beer was made (d) the name and address of the Michigan licensed retailer that received each shipment of beer (e) the invoice number for each shipment of beer and (f) the brand name, quantity and container size for each shipment of beer.

Under Administrative Code R 436.1621(4), each Michigan licensed brewer and Michigan licensed micro brewer 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 or consumed on the licensed premises of its manufacturing facility and tasting rooms. Payment of the required beer excise tax due pursuant to the provisions of section 409 of the act, MCL 436.1409, shall accompany the beer tax report.

Under MCL 436.1301(5), if the wine is manufactured in this state, the wine tax shall be paid by the wine maker who manufactured the wine unless the wine maker designates a wholesaler to pay the tax on behalf of the wine maker.

Under MCL 436.1301(6), if the mixed spirit drink is manufactured in this state, the mixed spirit drink tax shall be paid by the manufacturer of the mixed spirit drink unless the manufacturer of the mixed spirit drink designates a wholesaler to pay the tax on behalf of the manufacturer of the mixed spirit drink.

Under MCL 436.1301(9), the Commission shall establish by rule a method for the collection of the tax levied in this section and reporting requirements for wholesalers, wine makers, outstate sellers of mixed spirit drink, and outstate sellers of wine to verify the remission of taxes to this state.

Under Michigan Administrative Code R 436.1725(1), each Michigan licensed wholesaler and each Michigan licensed wine maker that does not designate a wholesaler to pay the wine tax shall submit to the Commission, on forms acceptable to the Commission and postmarked no later than the fifteenth day of each month, a wine tax report of all wine sold in this state during the previous calendar month. The payment of the required wine excise tax due pursuant to section 301 of the act, MCL 436.1301, shall be submitted with the wine tax report.

Under Administrative Code R 436.1725(2), the wine excise tax report submitted pursuant to subrule (1) of this rule by a Michigan licensed wholesaler or Michigan licensed wine maker shall include all of the following information: (a) the total sales of wine made into this state during the period covered by the report (b) the total amount of the wine excise tax due (c) the date upon which each shipment of wine was made (d) the name and address of the Michigan licensed retailer that received each shipment of wine (e) the invoice number for each sale of wine and (f) the brand name, quantity and container size of each item of wine sold.

Under Michigan Administrative Code R 436.1725(4), each Michigan licensed wine maker shall submit to the Commission, on forms acceptable to the Commission and postmarked not later than the fifteenth day of each month, a wine tax report of all wine sold or consumed on the licensed premises or its manufacturing facility and tasting

rooms. Payment of the required wine excise tax due pursuant to the provisions of section 301 of the act, MCL 436.1301, shall accompany the report.

Under MCL 436.1409(2) and (3); MCL 436.1301 (5), (6) and (9); Administrative Rule R 436.1621(1), (2) and (4); and Administrative Rule R 436.1725(1), (2) and (4); and after review and discussion of these provisions at the meeting, the Commission finds that an Administrative Order establishing the process for the beer, wine and mixed spirit drink tax payment procedures should be approved.

THEREFORE, IT IS ORDERED THAT:

- A. A Michigan brewer, brewpub, wine maker or manufacturer of a mixed spirit drink shall submit the Michigan Beer Tax Report, Michigan Wine Tax Report or Michigan Mixed Spirit Drink Tax Report, as applicable, by the fifteenth day of each month. Tax payment shall be included with the form.
- B. A Michigan brewer, brewpub, wine maker or manufacturer of a mixed spirit drink shall submit to the Commission supporting documentation that accompanies the brewer, micro brewer, wine maker or manufacturer of mixed spirit drink monthly beer, wine or mixed spirit drink tax report and payment.
- C. Supporting documentation shall consist of the Michigan Brewer or Micro Brewer's Monthly Report of Sales, the Brewers Report of Operations (Form TTB F 5130.9), the Brewers Report of Operations (Form TTB F 5130.26), the Michigan Wine Maker or Small Wine Maker's Monthly Report of Sales, the Report of Wine Premises Operations (Form TTB F 5120.17) or the Michigan Manufacturer of Mixed Spirit Drink Monthly Report of Sales, as applicable.

Administrative Order No. 2018-04
March 23, 2018
Page 5 of 5

MICHIGAN LIQUOR CONTROL COMMISSION



Andrew J. Deloney, Chairman



Dennis Olshove, Commissioner

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