



AMC 12.65 Alcoholic Beverages Retail Sales Tax

Presented by:

Treasury Division

Website: www.muni.org/alcoholtax



Table of Contents

- Important Dates
- Tax Rate
- Tax Exemptions
- Application for Certificate
- Application Submittal
- Tax Return Filing Procedures
- Payment Procedures
- Payment Posting
- Penalties
- Fiduciary Responsibilities
- Recordkeeping Requirements
- Prohibited Acts
- Special Events Organizers

Important Dates

- December 1, 2020: Online registration opens
- February 1, 2021: Begin collecting alcohol tax
- March 15, 2021: Last day to register for certificate without incurring late registration penalty of \$250
- March 31, 2021:
 - Last day for filing first monthly tax return reporting taxable sales and tax due
 - Last day for remitting tax due for the reporting month of February

Tax Rate

Tax Rate is 5% of sales price paid

Sales Price is:

Money paid to retailer by the consumer

Tax Exemptions

(AMC 12.65.040)

- Wholesale and manufacturer sales of alcoholic beverages
- Corkage fees
- Component parts (kegs, growlers)
- Sales of alcohol on common carriers within the city
- Sales of alcohol by United States
- Sales of alcohol to an officer or employee of a foreign government exempt from taxation

Application for Certificate



Application for Certificate of Registration



Municipality of Anchorage, Treasury Division
**APPLICATION FOR A CERTIFICATE OF REGISTRATION
 ALCOHOLIC BEVERAGES RETAIL SALES TAX**

IMPORTANT NOTICE
 Send original form to:
 Municipality of Anchorage
 Treasury Div., Alcohol Tax
 831 W. 6th Ave., Suite 310
 P.O. Box 106020
 Anchorage, AK 99519-6920

Please Type Or Print Clearly

SECTION I. REASON FOR APPLICATION (Mark one)

Check box that applies. If a choice is not listed, check "Other" and provide specifics about the reason(s) for submitting an application. If an existing business was purchased, provide details regarding the former owner.

<p>1. Check box that applies:</p> <p><input type="checkbox"/> Newly Registered Business</p> <p><input type="checkbox"/> Change of Owner</p> <p><input type="checkbox"/> Open Additional Location</p> <p><input type="checkbox"/> Name Change</p> <p><input type="checkbox"/> Purchased Existing Business (complete item #2)</p> <p><input type="checkbox"/> Other (Specify):</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<p>2. Complete if you purchased an existing business:</p> <p>Date Purchased: <input type="text"/></p> <p>Former Business Name: <input type="text"/></p> <p>Former Owner's Name: <input type="text"/></p> <p>Former Owner's Registration Number: <input type="text"/></p> <p>Former Owner's Address: <input type="text"/></p> <p>Former Owner's Phone Number: <input type="text"/></p>
--	---

SECTION II. RETAILER TO BE REGISTERED (Must be complete)

Enter the State of Alaska business license number and name as listed on the business license. Expired licenses will delay processing of the application.

Enter the date when the retail business will start (or started) retail sales activity in the Municipality.

Enter applicant's Alaska corporation entity number and the organization's name as shown in Alaska corporation records (if applicable). An entity with a status other than in good standing may delay processing of the application.

Alaska Business License #: Retailer name as shown on the State business license:

Alaska Entity # (if applicable): Name of entity as shown in Alaska corporation records (if applicable):

SECTION III. PREMISES TO BE REGISTERED (Must be complete)

Enter the physical location(s) where business will be conducted. You may use the separate continuation schedule if you have multiple locations instead of completing this section. The continuation schedule, form 41-009 can be found at www.muni.org/alcoholtax.

Enter applicant's Alcohol & Marijuana Control Office (AMCO) license number.

Enter previous calendar year sales.

Enter date of last alcohol inventory performed.

Enter type of Point of Sales System (POS) in use.

Enter the approximate square footage of retail space.

Street name and number, city and zip code of each location	AMCO license number	Previous Calendar Year Sales	Date of Last Inventory	(POS) Point of Sales System	Square Footage

Application Submittal

- Retailers must apply for a Certificate of Registration for each location
- We **strongly encourage** online registration using Formstack on our website:

www.muni.org/alcoholtax

- Available December 1, 2020
- You can attach and send PDFs with your application
- Online application promotes complete and accurate applications and reduces processing time.

Application Submittal, continued

- The following documents must be submitted with the application:
 - SOA Business License
 - AMCO alcohol retail license(s) or permit(s)
- No Charge for issuing Certificate of Registration
- Allow 5 business days for processing complete applications

Tax Return Filing Procedures



Tax Return Sample



Municipality of Anchorage, Treasury Division
ALCOHOLIC BEVERAGES RETAIL SALES TAX
MONTHLY TAX RETURN
 Please Type or Print Clearly

IMPORTANT NOTE:
 Send original form to:
 Municipality of Anchorage
 Treasury Div., Alcohol Tax
 625 W. 5th Ave., Suite 330
 P.O. Box 198629
 Anchorage, AK 99519-8630

MOA Certificate Number: Name of Retailer as shown on the Certificate of Registration: Year: Month: Amended Tax Return

1. Gross Receipts From Sales of Alcoholic Beverages:	\$	<input type="text"/>
2. Tax Exempt Sales:	\$	<input type="text"/>
3. Total Taxable Sales (line 1 minus line 2):	\$	<input type="text"/>
4. Tax Due this Month (5% of line 3):	\$	<input type="text"/>
5. Prior Tax Paid (see instructions):	\$	<input type="text"/>
6. Amount of Tax Due (line 4 minus line 5):	\$	<input type="text"/>
7. Penalty: Failure to File Timely: <input type="checkbox"/> 0% <input type="checkbox"/> 10% <input type="checkbox"/> 25%	\$	<input type="text"/>
8. Penalty: Failure to Pay Timely: <input type="checkbox"/> 0% <input type="checkbox"/> 10% <input type="checkbox"/> 25%	\$	<input type="text"/>
9. Other Penalties and Costs:	\$	<input type="text"/>
10. Interest: Number of days <input type="text"/>	\$	<input type="text"/>
11. Paper Filing Fee:	\$	50.00
12. Total Amount Due (Add Lines 6,7,8,9,10 and 11):	\$	<input type="text"/>

I certify under penalty of perjury that this return has been examined by me and to the best of my knowledge and belief is a true, correct and complete return of all retail sales of alcoholic beverages during this tax period.
 The Municipality's acceptance of this tax return does not imply that this tax return is complete, accurate, or in compliance with Anchorage Municipal Code (AMC) 12.65. The total amount due is subject to change after the verification process has been completed. You will be notified of any discrepancies found.

Signature of Authorized Representative: Printed Name: Title:
 Date: Phone: Email:

41-005 Ver. 6_20

File Tax Return

- Go to our website: www.muni.org/alcoboltax for detailed instructions on how to setup your tax account and file tax return online through a new process - eGovern
- After your application is approved Treasury will send an email with your 11 digit account ID number and a WEB PIN to register for online tax return filing and payment.
- WEB PIN expires after 7 days
- File tax return online to avoid \$50 paper filing fee

Tax Return Filing Procedures

- File online <https://muni.org/strtaxpayments> after you have set up your eGovern tax account
- Pay online with electronic check
 - Our third-party payment processor charges a user fee ranging from \$1.75 to \$6.00, depending on the amount of the tax remittance
 - Fee schedule will be posted on website

Tax Return Filing Procedures, continued

- On or before the last day of each calendar month, every retailer must submit a tax return to the department
- Example: Sales occurred in February 2021 – Tax Return and payment due by March 31, 2021
- Example: Sales occurred in March 2021 – Tax Return and payment due by April 30, 2021
- Even if no sales occurred during the month you are required to file a zero-dollar tax return

Payment Procedures



Payment Posting

- Payments are credited to the tax period for which remitted
- Payments are applied in the following order:
 - Penalties
 - Interest
 - Taxes due

Penalties and Interest

(AMC 12.65.270 & AMC 12.65.260)

- **There is a separate penalty for late filing and a separate penalty for late payment**
 - **10% Penalty:** Failure to file **OR** pay within 7 days following the due date
 - **25% Penalty:** Failure to file **OR** pay within 16 days following the due date
- Interest is assessed at a rate of 12% and is calculated daily from the due date

Penalties and Interest, continued

- Additional code mandated penalties:
 - Late registration penalties will not be assessed before March 15, 2021
 - Don't wait until the last minute to apply - we expect a high volume of applications
 - Failure to obtain a certificate of registration prior to operating as a retailer shall automatically incur a penalty of \$250 (AMC 12.65.270)
 - Penalty for civil fraud as defined in AMC 12.65.220 is the greater of \$1,000 or 200% of the deficiency due
 - More detail about penalties and the computation methods can be found in AMC 12.65.270 & AMC 12.65.260

Fiduciary Responsibilities

(AMC 12.65.010, AMC 12.65.060 & AMC 12.65.140)

- Fiduciary means retailer (or person acting on behalf of the retailer) who is entrusted with duties to collect, segregate and remit alcohol tax
- A person in a position of trust that takes care of money or assets for the benefit of the Municipality
- Officially begins when a retailer's application to Treasury is approved
- Financial guarantee generally not required for most applicants

Fiduciary Responsibilities, continued

(AMC 12.65.010, AMC 12.65.060 & AMC 12.65.140)

- Retailers must:
 - Implement policies and practices to ensure you meet code requirements
 - Assess, collect, safeguard and timely remit taxes
 - Segregate tax funds from retailer funds
 - Maintain complete and accurate records

Recordkeeping Requirements

(AMC 12.65.210)

Complete and accurate records include:

- Books of accounts, journals, ledgers, and other compilations of source documents
- Detailed inventory records including periodic inventory counts
- Alcoholic beverage acquisition and sales data
- More requirements can be found in AMC 12.65.210

Recordkeeping Requirements, continued

- Sales transactions should record the following:
 - Date of sale
 - Type of alcoholic beverage sold
 - Quantity of alcoholic beverages sold
 - Sales price
 - Retail sales tax charged
 - Amount and method of payment
- Provide a similar receipt to each consumer at time of sale

Prohibited Acts



Prohibited Acts

(AMC 12.65.250)

Prohibited acts include, but are not limited to the following:

- Engaging in business as a retailer without a proper and current registration
- Failing or refusing to pay the tax imposed by the code
- Advertising to the public that the tax or any part of it will be:
 - refunded
 - assumed or absorbed by the retailer

Prohibited Acts, continued

- Denying the Chief Fiscal Officer (CFO) access to the retailer's records and inventory
- Failing to hold funds in trust for the Municipality
 - Designate these funds as a liability – something you owe
 - These funds are paid by the consumer
- Failing to timely remit collected funds to the Municipality
- Preparing false returns
- A more complete list can be found at AMC 12.65.250

Special Event Organizers

- Special Event organizers must apply for a Temporary Special-Use Certificate for each event where expected sales of alcohol will exceed \$5,000.00
- Required to pay tax deposit where expected sales exceed \$5,000.
 - Deposit will be 5% of expected sales
- The following documents must be submitted with the application:
 - SOA Business License
 - AMCO alcohol retail license(s) or event permit(s)
 - May submit copy of permit application where SOA permit hasn't been received

Special Event Organizers, continued

- No charge for issuing Special-Use Certificates
- Allow 5 business days for processing complete applications
- The filing method for special event tax returns will be determined after we meet with several special event organizers

Contact Information

Tax Enforcement Officers I:

General Questions and Help with Applications, Payments, or Filings

- By phone: 907-343-6670
- By email: wwpt@anchorageak.gov

Tax Enforcement Officers II (field auditors):

- Regina James – 907-343-6967
- Paula Birmingham – 907-343-6964
- Karol (Karl) Raszkievicz – 907-343-6676

Tax Enforcement Group - Supervisor:

- Paula Reiswig– 907-343-6965

Questions / Comments

- For information related to Alcoholic Beverages Tax and for all updates, please visit our website:

www.muni.org/AlcoholTax