

SUBCHAPTER 4E - ALCOHOLIC BEVERAGES TAX

SECTION .0100 - LICENSES

17 NCAC 04E .0101 PERMIT REQUIRED TO OBTAIN LICENSE

History Note: Authority G.S. 105-113.69; 105-113.102;
Eff. February 1, 1976;
Repealed Eff. October 30, 1981.

17 NCAC 04E .0102 APPLICATION FOR LICENSE

17 NCAC 04E .0103 PENALTY

History Note: Authority G.S. 105-113.70 through 105-113.79; 105-113.89; 105-262;
Eff. February 1, 1976;
Amended Eff. January 1, 1994; April 1, 1986; October 30, 1981; March 14, 1980; June 11, 1977;
Repealed Eff. July 1, 2000.

17 NCAC 04E .0104 LICENSE APPLICATION OF PARTNERSHIP

History Note: Authority G.S. 105-113.99; 105-113.102;
Eff. February 1, 1976;
Repealed Eff. October 30, 1981.

17 NCAC 04E .0105 SALESMAN FOR PROPRIETORSHIP OPERATION

History Note: Authority G.S. 105-113.74; 105-262;
Eff. February 1, 1976;
Amended Eff. July 1, 1984;
Repealed Eff. July 1, 1990.

17 NCAC 04E .0106 LICENSE NOT TRANSFERABLE

History Note: Authority G.S. 105-113.99; 105-113.100; 105-113.102;
Eff. February 1, 1976;
Repealed Eff. October 30, 1981.

17 NCAC 04E .0201 FILING OF MONTHLY REPORTS

17 NCAC 04E .0202 EXAMINER'S REPORT

17 NCAC 04E .0203 SEPARATE REPORTS FOR WINES

History Note: Authority G.S. 105-113.76; 105-113.80 through 105-113.83; 105-113.84; 105-113.89; 105-262;
Eff. February 1, 1976;
Amended Eff. January 1, 1994; April 1, 1986; July 1, 1984; March 14, 1980; September 20, 1977;
Repealed Eff. July 1, 2000.

17 NCAC 04E .0204 OUT-OF-STATE SHIPMENTS REPORTING

Records of out-of-state shipments by the resident wholesaler or importer shall be maintained which can be properly checked by the Secretary of Revenue, and bills of lading shall also be kept on such out-of-state shipments. If delivered by the wholesaler's or importer's own truck, signature, address and social security number of the person receiving beer or wine from the wholesaler or importer shall be kept for verification by the secretary. Such sales shall be reported on the monthly report form in the space provided.

History Note: Authority G.S. 105-113.81; 105-113.88; 105-262;
Eff. February 1, 1976.

17 NCAC 04E .0205 MAJOR DISASTER REPORTING

Losses from a "major disaster" as defined in G.S. 105-113.81(a) shall be verified by an agent of the Department of Revenue and Form B-C-750 must be completed "before" they can be claimed by the wholesaler or importer on his monthly report. Several small disasters cannot be accumulated and then classified as a major disaster. A major disaster shall be classified as one event only in which such loss occurs, and not an accumulation of events. Any missing beverage inventory which cannot be classified as a major disaster shall be considered as beer or wine sold and subject to the excise tax accordingly, unless otherwise provided.

History Note: Authority G.S. 105-113.81; 105-262;
Eff. February 1, 1976;
Amended Eff. April 1, 1986; October 30, 1981.

17 NCAC 04E .0206 WHOLESALER BUYING FROM WHOLESALER

Where a resident wholesaler or importer purchases beer or wine from another wholesaler or importer in this state, such beverages become taxpaid beer and wine and shall be reported separately in the space provided on the monthly report.

History Note: Authority G.S. 105-113.83; 105-262;
Eff. February 1, 1976.

17 NCAC 04E .0207 NONRESIDENT BEER SHIPMENTS
17 NCAC 04E .0208 NONRESIDENT WINE SHIPMENTS

History Note: Authority G.S. 105-113.86; 105-113.89; 105-113.102;
Eff. February 1, 1976;
Amended Eff. October 30, 1981;
Repealed Eff. April 1, 1986.

17 NCAC 04E .0209 BEER OR WINE TO EMPLOYEES AND GUESTS

History Note: Authority G.S. 105-113.81; 105-262;
Eff. February 1, 1976;
Amended Eff. July 1, 1990; April 1, 1986; July 1, 1984;
Repealed Eff. January 1, 1994.

17 NCAC 04E .0210 IDENTICAL TAX UPON DOMESTIC AND NON-DOMESTIC WINES

History Note: Authority G.S. 105-113.80; 105-262;
Eff. February 1, 1985;
Repealed Eff. January 1, 1994.

SECTION .0300 - SPOILAGE: BREAKAGE AND DESTRUCTION

17 NCAC 04E .0301 SPOILAGE OR DESTRUCTION OF NONTAXPAID BEER OR WINE

Where the spoilage, breakage or destruction of nontaxpaid beer or wine in the inventory of the resident wholesaler or importer is a lesser amount than that defined as a "major disaster" in G.S. 105-113.81(a), there shall be no deduction from the excise tax as compensation for such loss.

History Note: Authority G.S. 105-113.85; 105-262;
Eff. February 1, 1976;
Amended Eff. December 1, 2003; April 1, 1986; October 30, 1981.

17 NCAC 04E .0302 SPOILAGE OF TAXPAID BEER OR WINE

Spoilage, breakage, or other losses of any taxpaid beer or wine may not be claimed as a deduction from the excise tax due.

History Note: Authority G.S. 105-113.81; 105-262;
Eff. February 1, 1976;
Amended Eff. July 1, 2000; March 14, 1980.

17 NCAC 04E .0303 DESTRUCTION WHEN IN TRANSIT

Destruction of nontaxpaid beer or wine in transit from the brewery or winery to the resident wholesaler or importer when such beer or wine is in the hands of the common carrier; even though such common carrier may be considered as the agent of the resident wholesaler or importer, and when such beer or wine is accounted for by the common carrier by payment of such beverage loss to the resident wholesaler or importer; shall not be considered as part of the taxable inventory of the resident wholesaler or importer, and thus not subject to the beverage excise tax.

History Note: Authority G.S. 105-113.84; 105-262;
Eff. February 1, 1976.

17 NCAC 04E .0304 DESTRUCTION WHEN PROPERTY OF RESIDENT

History Note: Authority G.S. 105-113.86; 105-113.102;
Eff. February 1, 1976;
Repealed Eff. October 30, 1981.

SECTION .0400 - MILITARY BEER AND WINE

17 NCAC 04E .0401 INSIGNIA FOR MILITARY USE ONLY REQUIRED

History Note: Authority G.S. 105-113.86; 105-113.102;
Eff. February 1, 1976;
Repealed Eff. October 30, 1981.

17 NCAC 04E .0402 ACCOUNTING FOR BEER AND WINE SALES TO MILITARY

History Note: Authority G.S. 105-113.81; 105-262;
Eff. February 1, 1976;
Amended Eff. April 1, 1986; January 1, 1982;
Repealed Eff. January 1, 1994.

17 NCAC 04E .0403 SEGREGATION OF MILITARY FROM CIVILIAN

History Note: Authority G.S. 105-113.86; 105-113.102;
Eff. February 1, 1976;
Repealed Eff. January 1, 1982.

SECTION .0500 - OCEAN-GOING BEER AND WINE

17 NCAC 04E .0501 EXEMPTION FROM TAX

History Note: Authority G.S. 105-113.81; 105-262;
Eff. February 1, 1976;
Repealed Eff. January 1, 1994.

17 NCAC 04E .0502 RECEIPT FOR DELIVERY REQUIRED

Receipt for delivery of nontaxpaid beer to ocean-going vessels must be signed for by an authorized officer or agent of such vessel, and such signed receipts must be retained by the wholesaler for a period of three years.

History Note: Authority G.S. 105-113.81; 105-262;
Eff. February 1, 1976.

SECTION .0600 - BOND REQUIRED

17 NCAC 04E .0601 BOND REQUIRED OF WHOLESALER AND IMPORTER

Proper bond shall be posted by resident wholesalers and importers subject to the beer or wine excise levies. This bond may vary yearly, based upon a review by the Documents and Payments Processing Division, Alcoholic Beverage and Amusements Tax Unit of the wholesaler's or importer's tax payments during the best 3 months of the previous 12 month period, and shall not be less than five thousand dollars (\$5,000), nor more than fifty thousand dollars (\$50,000). Bond requirements are as follows:

- (1) where the combined tax due for any three months of the previous 12 months exceeds forty thousand dollars (\$40,000), the amount of the bond shall be fifty thousand dollars (\$50,000);
- (2) where the combined tax due for any three months of the previous 12 months exceeds twenty-five thousand dollars (\$25,000) but does not exceed forty thousand dollars (\$40,000), the amount of the bond shall be forty thousand dollars (\$40,000);
- (3) where the combined tax due for any three months of the previous 12 months exceeds twelve thousand five hundred dollars (\$12,500) but does not exceed twenty-five thousand dollars (\$25,000), the amount of the bond shall be twenty-five thousand dollars (\$25,000);
- (4) where the combined tax due for any three months of the previous 12 months exceeds five thousand dollars (\$5,000) but does not exceed twelve thousand five hundred dollars (\$12,500), the amount of the bond shall be twelve thousand five hundred dollars (\$12,500);
- (5) where the combined tax due for any three months of the previous 12 months does not exceed five thousand dollars (\$5,000), the amount of the bond shall be five thousand dollars (\$5,000).

History Note: Authority G.S. 105-113.86; 105-262;
Eff. February 1, 1976;
Amended Eff. April 1, 2008; January 1, 1994; April 1, 1986.

17 NCAC 04E .0602 NEW WHOLESALER OR IMPORTER BOND

In case of a new wholesaler subject to the excise tax, or where such operation has been conducted for less than 12 months prior to January 1, the amount of the bond is determined by the Secretary of Revenue for the remainder of the calendar year or the ensuing calendar year based upon the wholesaler's anticipated business volume as evident by inventory, but shall be no less than five thousand dollars (\$5,000).

History Note: Authority G.S. 105-113.86; 105-262;
Eff. February 1, 1976;
Amended Eff. January 1, 1994.

SECTION .0700 - DISTRIBUTION OF MALT AND WINE EXCISE TAX TO LOCAL GOVERNMENTS

17 NCAC 04E .0701 PARTICIPANTS IN DISTRIBUTION

17 NCAC 04E .0702 PER CAPITA BASIS

History Note: Authority G.S. 105-113.86; 105-113.102;
Eff. February 1, 1976;
Amended Eff. March 14, 1980;
Repealed Eff. October 30, 1981.

17 NCAC 04E .0703 DISTRIBUTION NOTICE

History Note: Authority G.S. 105-113.82; 105-262;
Eff. February 1, 1976;
Amended Eff. July 1, 2000; March 14, 1980;
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

17 NCAC 04E .0704 DEFINED AREAS

History Note: Authority G.S. 105-113.86; 105-113.102;
 Eff. February 1, 1976;
 Amended Eff. March 14, 1980; September 20, 1977;
 Repealed Eff. October 30, 1981.

17 NCAC 04E .0705 HOLD FUNDS

History Note: Authority G.S. 105-113.86; 105-113.102;
 Eff. February 1, 1976;
 Amended Eff. March 14, 1980;
 Repealed Eff. April 1, 1986.