

**ALABAMA ALCOHOLIC BEVERAGE CONTROL BOARD
ADMINISTRATIVE CODE**

**CHAPTER 20-X-9
RECORD REQUIREMENTS**

TABLE OF CONTENTS

20-X-9-.01	Liquor Wholesale Record Requirements
20-X-9-.02	Beer Wholesale Record Requirements
20-X-9-.03	Table Wine Wholesale Record Requirements

20-X-9-.01 Liquor Wholesale Record Requirements.

(1) All liquor wholesale licensees shall file a report of all liquor and fortified wine received during the preceding month, schedule of all sales, a stock report and a tax return with a remittance of tax and the current ABC Board markup on any shortages in inventory. Filing forms will be furnished by the ABC Board. These forms shall be received by the ABC Board from the licensees on or before the 20th day of each month.

(2) Any inventory of liquor and/or fortified wine shall be segregated from all other inventory of alcoholic beverages within the licensees' warehouse(s).

(3) A physical inventory of liquor and/or fortified wine may be taken by ABC Board representatives during normal business hours. ABC Board representatives may examine any records of the liquor wholesale licensee.

(4) Liquor wholesalers shall provide a suitable place to conduct record examinations at their principal place of business during normal business hours. The wholesaler's personnel shall assist ABC Board representatives in taking periodic inventories of alcoholic beverages on hand and shall provide any necessary information required to expedite any audit. Inventories taken jointly by a wholesaler's employees and ABC Board representatives shall be certified by all parties thereto. It shall be the responsibility of the wholesaler to ensure that the inventory is accurate. No changes shall be allowed in said inventory count subsequent to the departure of the ABC Board's employees from the wholesaler's licensed premises.

Author: ABC Board

Statutory Authority: Code of Ala. 1975, §§28-3-7; 28-3-9; 28-3-49.

History: Repealed and New: Filed August 21, 1998; effective October 16, 1998.

20-X-9-.02 Beer Wholesale Record Requirements.

(1) All beer wholesalers shall maintain records at their place of business, reflecting the following:

(a) All beer received by supplier, brand name, number of cases, number of containers per case, ounces per container, manufacturer's invoice number and date received. All beer received in the wholesaler's warehouse shall be acknowledged by signature of a representative of the wholesaler on the receiving documents. The date received shall also be indicated on the documents. All beer received shall be recorded and reported to the ABC Board as a receipt in the month the beer was received. Taxes shall be paid when due on levy of all receipts with deduction for all allowable credits.

(b) All beer sold, furnished, or delivered shall have a wholesaler's invoice available which shall bear information as to the recipient's name, complete address, brand name, number of cases, number of containers per case, ounces per container, date of delivery or pick-up, invoice number, the county and municipality where the sale or delivery occurred, and where required, the retail licensee's name, complete ABC license number, amount of sale, and name of any employee purchasing beer. In all instances, the recipient of the beer must sign and date the invoice. Stamps may be used but cannot replace signatures.

1. Sales invoices shall be prepared for sales made to retail licensees and must contain the information listed in (1), (b).

2. Sales invoices shall be prepared for all sales to employees of the wholesaler and must contain the information listed in (1), (b).

3. Invoices shall be prepared for all beer furnished at no charge as samples, gifts, and gratuities allowed under 20-X-8-.09(1)(a), and for promotional/advertising beer furnished civic, charitable, fraternal, or similar organizations as allowed. These invoices must contain the information listed in (1), (b) and the purpose of the promotion. The recipient shall not be an employee, officer, or owner of the wholesale business. The wholesaler shall be responsible for the payment of all state and local taxes and any other taxes due the State of Alabama for beer furnished in this manner.

(c) Both sales to retailers and employees, and beer furnished for promotion purposes shall be recorded and totaled each month in a manner and on forms either provided by or approved for use by the ABC Board Audit Division. The minimum information required on these forms shall include the retailer's name, the retailer's complete ABC Board license number, invoice number, date of sale or delivery, invoice dollar amount if a sale, number of cases, number of containers per case and ounces per container.

(2) Wholesalers claiming credit for beer sold to military installations shall provide evidence of the sales by presentation of appropriate proof of payments to include check copies or check stubs with any supporting documentation forwarded by the military installation. Beer sales to military installations shall be allowed as monthly credits or deductions from beer taxes due. Wholesalers must provide evidence of receipt of payment for the beer sales with federal funds upon audit or disallowance of the credits will result and the original taxes will be assessed.

(3) Each beer wholesaler shall file a monthly tax return with the ABC Board which shall be postmarked on or before the last day of the month following the month of receipt of the beer by the wholesaler. All taxes due shall be remitted with the tax return. The tax return, schedule of receipts from the brewery or importer, and all other schedules or supporting documents as required shall be filed promptly and on forms furnished or approved by the ABC Board Audit Division.

(4) Any transfer from one ABC Board beer wholesaler to another shall be accounted for by use of a transfer certificate furnished or approved by the ABC Board. The wholesaler first receiving the beer from the brewery or importer shall be liable for the payment of any Alabama beer tax. A copy of this certificate shall be mailed to the ABC Board by both wholesalers involved, along with their monthly tax returns. Transfers may be made intrastate only between licensed ABC Board beer wholesalers.

(5) Merchandise damaged, broken or otherwise unsaleable will be allowed as a deduction from the monthly beer taxes due when computing net tax liability. This deduction will be allowed only when the destruction or evidence of breakage of said merchandise is witnessed by an ABC Board representative, in accordance with applicable state and federal regulations. An affidavit shall be prepared establishing the date destroyed, when and how destroyed, the number of packages by size container and number of containers per package, and the signatures of the wholesaler's representative and ABC Board representative

witnessing said destruction. A copy of this affidavit shall be retained by the wholesaler. The ABC Board representative witnessing the destruction shall send the original affidavit to the Audit Division of the ABC Board. All destructions shall be made in a manner to comply with EPA rules regarding the disposal of alcoholic beverages. Responsibility for compliance with the EPA rules rests with the wholesaler.

(6) Exported items shall be subject to the initial levy of beer taxes but not to the ultimate tax liability by the ABC Board. Wholesalers may claim credit against monthly beer tax liability whenever merchandise is exported if the export is made and documented in the following manner. In cases of export, the wholesaler shall retain a duplicate invoice giving the name of the person, firm, corporation or association of persons to whom shipped, delivered or sold; date of sale or shipment and the quantity of such merchandise. The wholesaler shall retain a freight, express or postal receipt for such merchandise indicating the same was delivered to a common carrier engaged in interstate commerce or to the U.S. Postal Service. If said merchandise is delivered to another state by a wholesaler using its own transportation, said wholesaler shall retain a receipt signed by the purchaser from the other state. Evidence of payment by a party purchasing export beer shall be on file with the wholesaler to verify export sales.

(7) The following are allowable as deductions if properly documented when the wholesaler computes monthly beer tax liability:

(a) Sales to military installations or sales for export when properly documented.

(b) Breakage or unsaleable merchandise verified by ABC Board representatives.

(c) Merchandise lost thru break-ins and/or robberies when supported by police investigation reports.

(d) Merchandise short shipped by the brewery or importer and merchandise returned to the brewery or importer only when supported by a credit memorandum therefrom. The credit memorandum must reference the quantities and package sizes of beer involved in the shipping errors or return allowance for the computation of tax credits and must not list solely the dollar credits to the wholesaler.

(e) Other appropriate circumstances when approved in writing by the ABC Board.

(8) In addition to the above, each wholesaler shall maintain the following minimum information:

(a) Inventory reports containing merchandise on hand at the beginning of the month, merchandise received during the month, merchandise disposed of during the month and merchandise on hand at the end of the month with the brands, case sizes, and quantities included. All information contained in the inventory reports shall be supported through adequate documentation. Reports shall be completed on a monthly basis.

(b) Schedule of sales of beer to military installations during the month.

(c) Schedule of promotional/advertising beer delivered during the month.

(d) Schedule of retail sales of beer made during the month.

(e) Schedule of export sales of beer made during the month.

(f) Schedule of sales of beer to employees during the month. The information required by 8(a)-(f) herein shall be retained by the wholesaler and documented in a manner approved by the ABC Board.

(9) Each wholesale beer licensee shall maintain with the ABC Board current listings of all items distributed by brand, label and size container.

(10) Wholesalers shall provide a suitable place for conducting examinations of records at their principal place of business during customary business hours. Wholesalers shall assist ABC Board personnel when taking periodic inventories of beer on hand and supply other necessary information as required. Inventories taken jointly by the wholesaler and ABC Board personnel shall be verified by all parties. The wholesaler shall ensure the correctness of any inventory. Inventory counts and information shall not be changed or substituted after ABC Board personnel depart the wholesaler's premises.

(11) All records as to receipt of beer, inventories on hand and sales of beer shall be available from the wholesaler to the ABC Board upon request. Said records shall include but not be limited to: purchase invoices, bills of lading, transfers, sales invoices, bank deposits, canceled checks, and bank statements. Records shall be maintained by the wholesaler for

the period of time specified by Section 28-3-7, Code of Ala. 1975.

Author: ABC Board

Statutory Authority: Code of Ala. 1975, §§28-3-7 through 28-3-12; 28-3-45; 28-3-49.

History: Repealed and New: Filed August 21, 1998; effective October 16, 1998.

20-X-9-.03 Table Wine Wholesale Record Requirements.

(1) All table wine wholesalers shall maintain records at their business, reflecting the following:

(a) All table wine received by supplier, brand name, number of cases, number of containers per case, liters per container, gallonage, manufacturer's invoice number and date received. All table wine received in the wholesaler's warehouse shall be acknowledged by signature of a representative of the wholesaler on the receiving documents. The date received shall also be indicated on the documents. All table wine received shall be recorded and reported to the ABC Board as a receipt in the month the table wine was received. Taxes shall be paid when due on levy of all receipts with deduction for all allowable credits.

(b) All table wine sold, furnished, or delivered shall have a wholesaler's invoice available which shall bear information as to the recipient's name, complete address, brand name, number of cases, number of containers per case, volume per container, total liters per invoice, date of delivery, invoice number, the county and municipality where the sale or delivery occurred, and if required, the retail licensee's name, complete ABC license number, amount of sale, and name of any employee purchasing table wine. In all instances, the recipient of the table wine must sign and date the invoice. Stamps may be used but cannot replace signatures.

1. Sales invoices shall be prepared for sales made to retail licensees and must contain the information listed in (1), (b).

2. Sales invoices shall be prepared for all sales to employees of the wholesaler and must contain the information listed in (1), (b).

3. Invoices shall be prepared for all table wine furnished at no charge as samples, gifts, and gratuities allowed under 20-X-8-.09(1)(a), and for promotional/advertising table

wine furnished civic, charitable, fraternal, or similar organizations as allowed. These invoices must contain the information listed in (1), (b) and the purpose of the promotion. The recipient shall not be an employee, officer, or owner of the wholesale business except for table wine used for tasting on the premises of the wholesaler. The wholesaler shall be responsible for the payment of all state and local taxes and any other taxes due the State of Alabama for table wine furnished in this manner.

(c) Sales invoices shall be prepared for sales made to military installations and must contain the information listed in (1), (a). In addition, all credits claimed for sales to military installations shall be evidenced by appropriate proof of payments to include check copies or check stubs with any supporting documentation provided by the military installation. The wholesaler must provide evidence of payment of the table wine sales with federal funds upon audit or disallowance of the credits will be made and the original taxes assessed.

(2) Any transfer of table wine from one Alabama wholesaler to another shall be reported by use of a transfer certificate furnished or approved by the ABC Board. The wholesaler first receiving the table wine from a manufacturer or importer shall be liable for any Alabama table wine tax. A copy of this certificate shall be mailed to the ABC Board by both wholesalers involved, along with their monthly tax returns. Transfers may be made intrastate only between licensed ABC Board table wine wholesalers.

(3) The tax value of damaged, broken or otherwise unsaleable merchandise will be allowed as a deduction from the monthly table wine taxes due when computing any tax liability, but only when the destruction or evidence of breakage of said merchandise is witnessed by an ABC Board representative. An affidavit shall be prepared establishing the date destroyed, when and how destroyed, the number of packages by size container and number of containers per package, and the signatures of the wholesaler's representative and ABC Board representative witnessing said destruction. A copy of this affidavit shall be retained by the wholesaler. The ABC Board representative witnessing the destruction shall send the original affidavit to the Audit Division of the ABC Board. All destructions shall be made in a manner to comply with EPA rules regarding the disposal of alcoholic beverages. Responsibility for compliance with the EPA rules rests with the wholesaler.

(4) Exported table wine shall be subject to the levy of table wine taxes but not to the ultimate tax liability by the ABC Board. The wholesaler may claim credit against monthly table wine tax liability for merchandise exported if the export is made

and documented in the following manner. The wholesaler shall retain a duplicate invoice giving the name of the person, firm, corporation or association of persons to whom shipped, delivered or sold, date of sale or shipment and the quantity of such merchandise. The wholesaler shall retain a freight, express or postal receipt for such merchandise showing the same was delivered to a common carrier engaged in interstate commerce or to the U.S. Postal Service. If said merchandise is delivered to another state by a wholesaler using its own transportation, said wholesaler shall retain a receipt signed by the purchaser from the other state. Evidence of payment by a party purchasing export table wine shall be on file with the wholesaler to verify export sales and may be in the form of check copies or check stubs.

(5) The following are allowable as deductions if properly documented when the wholesaler computes monthly table wine tax liability:

(a) Sales to military installations, sales for export and sales to the ABC Board.

(b) Breakage or unsaleable merchandise verified as destroyed by ABC Board representatives.

(c) Merchandise lost through break-ins and/or robberies when supported by police investigation reports.

(d) Merchandise short shipped by suppliers and merchandise returned to suppliers only if supported by a credit memorandum from the supplier. The credit memorandum must list quantities, sizes, and volume to allow for the computation of tax credits.

(e) Other appropriate circumstances when approved in writing by the ABC Board. If any deductions taken cannot be verified by the ABC Board Audit Division, the deductions will not be allowed and the tax on such table wine will be due and payable.

(6) In addition to the above, each wholesaler shall maintain the following minimum information:

(a) Table wine stock reports which categorize merchandise on hand at the beginning of the month, merchandise received during the month, merchandise disposed of during the month and merchandise on hand at the end of the month. All information contained on such reports shall be supported by adequate documentation. Reports shall be completed on a monthly

basis. The following schedules shall be prepared on a monthly basis as preliminary documentation for the stock totals.

(b) Schedule of sales of table wine to retailers during the month.

(c) Schedule of sales of table wine to military installations during the month.

(d) Schedule of sales of table wine for export during the month.

(e) Schedule of sales of table wine to the ABC Board during the month.

(f) Schedule of promotional/advertising table wine furnished or delivered during the month.

(g) Schedule of sales of table wine to employees during the month. The information set out in 6(a)-(g) shall be kept in such form and contain such information as approved by the ABC Board.

(7) Each wholesale table wine licensee shall maintain with the ABC Board current listings of all items distributed by brand, label and size container.

(8) Wholesalers shall provide a suitable place for conducting examinations of records at their principal place of business during customary business hours. Wholesalers shall assist ABC Board personnel when taking periodic inventories of table wine on hand and supply other necessary information as required. Inventories taken jointly by the wholesaler and the ABC Board personnel shall be verified by all parties. The wholesaler shall ensure the correctness of any inventory. Inventory counts and information shall not be changed or substituted after ABC Board personnel depart the wholesaler's premises.

(9) All records as to receipt of table wine, inventories on hand and sales of said wine shall be available from the wholesaler to the ABC Board upon request. Said records shall include but not be limited to: purchase invoices, bills of lading, transfers, sales invoices, bank deposits and canceled checks. Records shall be maintained by the wholesaler for the period of time specified by Section 28-3-7, Code of Ala. 1975.

Author: ABC Board

Statutory Authority: Code of Ala. 1975, §§28-3-7 through 28-3-12; 28-3-45; 28-3-49; 28-3-206.

History: Repealed and New: Filed August 21, 1998; effective October 16, 1998.