



Schedule B Wholesaler's Monthly Liquor Report Electronic Filing Instructions

Per North Dakota Century Code (N.D.C.C.) § 5-03-04, licensed North Dakota liquor wholesalers must file a monthly tax report with the North Dakota Office of State Tax Commissioner and make payment based on the total gallage sold during the reported month.

Liquor purchases include any alcoholic beverage except for beer purchased, received, or delivered to a North Dakota wholesaler from suppliers, manufacturers, importers, marketers, wineries, distilleries, other wholesalers, or any other entity; and, should include any alcoholic beverage on which the North Dakota excise tax has not been paid.

The Office of State Tax Commissioner has designated "Schedule B" as the wholesaler's monthly tax report form to be used for reporting and paying tax on liquor. The Schedule B is a monthly report due on or before the 15th of the month following the month of sale, and is to be filed electronically using the following instructions and on the form prescribed by the Office of State Tax Commissioner. The Schedule B report is required even if no sales were made.

N.D.C.C. § 5-03-06 also pertains to taxes imposed by this chapter. For wholesalers failing to pay such tax on or before the due date, there must be added to the tax a penalty of five percent of the total amount of the tax or five dollars, whichever is greater, plus interest of one percent of the tax per month or fraction of a month of delay, except the month after the return or tax becomes due. For failure to file reports on or before the due date, wholesalers may be assessed a penalty of 100 dollars for each day such reports are delinquent.

For purposes of this report, the following definitions apply:

"Liquor" means any alcoholic beverage except beer.

"Alcohol" means neutral spirits distilled at or above one hundred ninety degrees proof, whether or not such product is subsequently reduced, for nonindustrial use.

"Distilled Spirits" means any alcoholic beverage that is not beer, wine, sparkling wine, or alcohol.

"Sparkling Wine or Champagne" means wine made effervescent with carbon dioxide.

"Wine" means the alcoholic beverage obtained by fermentation of agricultural products containing natural or added sugar or such beverage fortified with brandy and containing not more than 24 percent alcohol by volume. Cider is considered a wine product.

"Gallon" means U.S. wine gallon equal to 128 ounces.

"Supplier" means an alcohol beverage manufacturer, importer, marketer, or wholesaler selling alcoholic beverages to a wholesaler licensed in this state for purposes of resale.

Schedule B Filing Instructions

- Use the Schedule B report form designated for electronic filing.
- Each month begin with a new (blank) Schedule B report form.
- Only report invoices or transactions for the current reporting month on the original return; if you have invoices or transactions from a previous period that were not reported, or were reported in error, see amended return reporting instructions for correct reporting procedures – do not include these prior period entries on your current report.
- Calculation formulas have been provided in highlighted fields.

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Schedule B Coversheet

1. **Report Period:** Enter the calendar year and month covered by report in YYYYMM format (i.e., 202003).
2. **Original or Amended return:** Enter “O” for original return or an “A” for amended return.
3. **FEIN:** Enter your company assigned nine-digit Federal Identification number with **no hyphens**.
4. **North Dakota Wholesaler License Number:** Enter your five-digit North Dakota Wholesaler Liquor License.
5. **Wholesaler Name:** Enter the name you have on your North Dakota Wholesaler Liquor License.
6. **Address, City, State, and Zip Code:** Enter the wholesaler’s mailing address using the U.S. Postal Code format.
7. **Phone Number and Email Address:** Enter the contact person’s telephone number and email address.

Wholesaler’s Liquor Inventory Reconciliation Schedule

Lines 2, 3, 4, 5, and 8 are automatically calculated based on information you enter in other areas.

- Line 1: **Enter** Beginning Inventory: For each category, enter the inventory amount from line 8 of the prior month’s Reconciliation Schedule in gallons, rounded to two decimal places. New wholesalers will enter zeros.
- Line 2: Liquor Received During the Reporting Period is carried from the Receipts Schedule.
- Line 3: Calculates Total Merchandise Available for Sale, total of lines 1 and 2.
- Line 4: Nontaxable Liquor Disbursed During the Reporting Period is carried from the “Nontaxable Disbursements Schedule.”
- Line 5: Calculates Total Merchandise Available for Sale to Retailers, line 3 minus line 4.
- Line 6: **Enter** Taxable Liquor Disbursed During the Reporting Period: Enter the amount for each category.
- Line 7: **Enter** Taxable Liquor Returned from Retailers During the Reporting Period: Enter the amount for each category.
- Line 8: Calculates Ending Inventory in Gallons, line 5 minus line 6 plus line 7. Use these totals as Beginning Inventory for the following month on line 1.

Wholesaler’s Liquor Receipts Schedule

Column 1:

The code best describing the transaction, i.e., number 1, 2, or 3 as shown on the worksheet. For purchases of liquor from another North Dakota wholesaler, enter that invoice using code 3 and complete all required fields.

Column 2:

The invoice or transaction date in the MM/DD/YYYY format, i.e., 02/20/2020.

Column 3:

The invoice number, or enter “9999” if no invoice number is involved in this entry.

Column 4:

North Dakota license number – if transaction involves a supplier, domestic distillery, domestic winery, etc., enter their North Dakota license number. Suppliers, domestic wineries, and distilleries have been assigned a five-digit license number beginning with zero, i.e., 01002 for suppliers, 07001 for domestic wineries, and 07500 for domestic distilleries. North Dakota liquor wholesalers have a five-digit license number, i.e., 00030. A list of the supplier, domestic wineries, domestic distilleries, and wholesaler license numbers are available at tax.nd.gov/AlcoholLookup. If you have a purchase from an entity that is not listed with a license number, for **one reporting month only**, you may enter this purchase under the number “6666” for that unlicensed entity so that the purchase can be reported. **No further purchases are to be made from that entity until they obtain a license.**

Column 5:

Name of supplier, retailer, domestic distillery, domestic winery, etc., or enter an explanation of the transaction if no entity is involved.

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Columns 6-10:

Enter total transaction of invoiced products in gallons, rounded to two decimal places, in the appropriate category of spirits, wine, etc. Complete a separate entry for each transaction or invoice for the reporting period. Do not leave blank rows.

Worksheet computes the grand total volume in gallons, rounded to two decimal places, at the top of each column 6-10. These totals are carried to the Liquor Reconciliation Schedule, line 2, and are used to reconcile the monthly inventory.

Wholesaler’s Nontaxable Liquor Disbursements Schedule

Column 1:

Enter the schedule code that best describes the transaction, i.e., number 4, 5, 6, 7, 8, 9, or 10 as shown on the worksheet.

Column 2:

The invoice or transaction date in the MM/DD/YYYY format, i.e., 02/20/2020.

Column 3:

The invoice number, or enter **“9999”** if no invoice number is involved in this entry.

Column 4:

North Dakota license number – if transaction involves a supplier, domestic distillery, domestic winery, etc., enter their North Dakota license number. Suppliers, domestic wineries, and distilleries have been assigned a five-digit license number beginning with zero, i.e., 01002 for suppliers, 07001 for domestic wineries, and 07500 for domestic distilleries. North Dakota liquor wholesalers have a five-digit license number, i.e., 00030. A list of the supplier, domestic wineries, domestic distilleries, and wholesaler license numbers are available at tax.nd.gov/AlcoholLookup. If you have a purchase from an entity that is not listed with a license number, for **one reporting month only**, you may enter this purchase under the number **“6666”** for that unlicensed entity so that the purchase can be reported. **No further purchases are to be made from that entity until they obtain a license.**

Column 5:

Enter the name of wholesaler, supplier, domestic distillery, domestic winery, etc., or enter an explanation of the transaction if no entity is involved.

Columns 6-10:

Enter total transaction of invoiced products in gallons, rounded to two decimal places, in the appropriate category of spirits, wine, etc. Complete a separate entry for each transaction or invoice for the reporting period. Do not leave blank rows.

Worksheet computes the grand total volume in gallons, rounded to two decimal places, at the top of each column 6-10. These totals are carried to the Liquor Inventory Reconciliation Schedule, line 4, and are used to reconcile the monthly inventory.

Tribal Sales Schedule

Column 1:

Enter the schedule code that best describes the transaction, i.e., number 4, 5, or 6 as shown on the worksheet.

Column 2:

Enter the retailer’s license number. This may be a series of letters and/or numbers issued by the tribe or the North Dakota Attorney General’s Office.

Column 3:

Enter the name of the retailer.

Column 4:

Enter the tribal code that matches the location/affiliation of the retailer, i.e., letter A represents sales to a retailer located within the boundaries of the MHA reservation (Mandan, Hidatsa, Arikara Nation).

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Columns 5-9:

Enter the grand total of all sales for the reporting period to each individual retailer in gallons, rounded to two decimal places, in the appropriate category of spirits, wine, etc. Complete a separate line entry for each retailer to whom alcohol was sold. Do not leave blank rows.

Return to Schedule B Coversheet and Complete Report Beginning with Line 12.

Lines 1 through 11 are automatically filled in based on information entered on the corresponding schedules. Review for accuracy:

- Line 1: Total sales gallons for spirits, rounded to two decimal places, carried from Inventory Reconciliation Schedule, line 6.
- Line 2: Calculates tax due for Spirits sales, line 1 times \$2.50.
- Line 3: Total sales gallons for Sparkling Wines or Champagne, rounded to two decimal places, carried from Inventory Reconciliation Schedule, line 6.
- Line 4: Calculates tax due for Sparkling Wine or Champagne sales, line 3 times \$.50.
- Line 5: Total sales gallons for Wine 17% - 24%, rounded to two decimal places, carried from Inventory Reconciliation Schedule, line 6.
- Line 6: Calculates tax due for Wine 17% or over sales, line 5 times \$.60.
- Line 7: Total sales gallons for Wine <17%, rounded to two decimal places, carried from Inventory Reconciliation Schedule, line 6.
- Line 8: Calculates tax due for Wine <17% sales, line 7 times \$.50.
- Line 9: Total sales gallons for Alcohol, rounded to two decimal places, carried from Inventory Reconciliation Schedule, line 6.
- Line 10: Calculates tax due for Alcohol sales, line 9 times \$4.05.
- Line 11: Calculates total tax due, sum of the liquor taxes from lines 2, 4, 6, 8, and 10.

Begin Here:

- Line 12: **If filing an amended return**, enter previously paid tax from original filed return for this reporting period.
- Line 13: Calculates total tax due for this report, line 11 minus line 12.
- Line 14: **Enter** penalty on late returns if applicable (5% of tax due from line 13 or \$5.00, whichever is greater).
- Line 15: **Enter** interest on late returns, if applicable (1% of tax due per month except for month after the report or tax becomes due).
- Line 16: Calculates total tax, penalty, and interest due. Sum of lines 13, 14, and 15.
- Line 17: **Enter** the total amount remitted with this report. This will be the amount you want drawn from your account for the reporting period.

Sales Between ND Wholesalers

If you purchase liquor from a supplier and resell the product to another North Dakota wholesaler, report the purchase in the normal way on your Receipts schedule.

Report the sale of a product to another in-state wholesaler on your Nontaxable Disbursements schedule using code 4.

If you purchase liquor from another in-state wholesaler, report the product in the normal way on your Receipts schedule using code 3, other adjustments. This will allow the product to be added to your inventory without causing a compliance error when no supplier’s “Schedule A” report can be matched to this transaction.

Electronically File Report

Completed reports are to be filed electronically as required under N.D.C.C. §§ 5-01 and 5-03 on North Dakota Taxpayer Access Point (ND TAP) - **tax.nd.gov/tap**. Be sure you are submitting the report in the Excel .xlsx format prescribed by the Office of State Tax Commissioner.

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New users will need to register for ND TAP access at **tax.nd.gov/tap**. Please follow these steps to create your ND TAP account:

- Sign Up for Access
 - o Create an ND TAP logon and password. An authorization code will be either mailed or emailed to you or the business depending on the access level chosen.
- Log in to ND TAP
 - o Once you receive your authorization code you may log in to ND TAP. The authorization code is only used the very first time you log in to ND TAP. You may discard the code after successfully logging into the system.
- Add access to account(s)
 - o Once a user is logged in, he/she can request access to an account by selecting “Add / Grant Access” then “Add Access to Another Account” and enter the following information about the taxpayer and account:
 - Entity Type (Corporation, Sole Proprietor, etc.)
 - Identification Number (FEIN or SSN)
 - Type of Account (Liquor Tax)
 - Account Number
 - Letter ID (from a recent letter issued on the account). Your ND TAP authorization code letter will not work for this step; it must be a letter specific to your liquor tax account.

Amending Schedule B Reports

Amended reports will be necessary when a wholesaler fails to report correctly during any month. To correct an original report, a **“total replacement”** amended report will have to be electronically submitted.

The wholesaler will enter an “A” for amended report instead of an “O” for original report on the Schedule B coversheet. After completing the report as it should have been reported, enter the amount of “Tax Previously Paid” on line 12 so that line 13 reflects the additional tax due or overpaid amount as a result of the new information.

If the amount on line 13 shows additional tax due, calculate and enter the penalty due for late payment (5% of total tax due on line 13 or \$5.00, whichever is greater) on line 14 and enter interest for late payment, if applicable (1% of tax due per month except for month after the return or tax becomes due) on line 15. Line 16 automatically calculates the total tax, penalty, and interest due. Enter the amount of your payment on line 17. If an overpayment results from the amended report, zero should be entered on line 17 and a refund will be issued.

Reminders

- North Dakota liquor wholesalers are to include **all** liquor purchased, transferred, or shipped during the reporting period.
- All purchases and sales invoices being reported should **pertain to the reporting period. Amended Schedule B reports** should be filed when an invoice is missed or originally reported in error. See amended report instructions above.
- When completing the Schedule B schedules, do not leave blank rows between entries. All required fields must be completed for each entry. Reports cannot be processed if they contain blank rows, or empty fields in a row.
- All liquor is to be reported in gallons rounded to two decimal places.
- Electronic copies of sales or purchase invoices are not to be included with the Schedule B electronic report and paper copies are not to be mailed to the Office of State Tax Commissioner; however, invoices must be made available upon request.

Contacts:

Taxpayer Assistance: 701-328-2702
Fax Number: 701-328-1950
Email: **alcoholtax@nd.gov**
Website: **tax.nd.gov**

Mailing Address:

Wholesale and Oil Taxes - Alcohol Section
Office of State Tax Commissioner
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