

Alcoholic Beverage Tax

This publication is designed to provide sellers, manufacturers, and importers of alcoholic beverages with general information about California's Alcoholic Beverage Tax Program. If you have questions that are not answered in this publication, please contact us.

What is the alcoholic beverage tax?

The alcoholic beverage tax is a per-gallon excise tax collected on the sale, distribution, or importation of alcoholic beverages in California. Revenues from the tax are deposited into the Alcohol Beverage Control Fund and are withdrawn for use by the State's General Fund or used to pay refunds under this program.

Who is required to register?

In general, you must register with the Board of Equalization (BOE) if you are required to obtain one of the following licenses issued by the Department of Alcoholic Beverage Control (ABC):

- Manufacturer
- Wholesaler
- Brandy manufacturer
- Wine blender
- Customs broker
- Industrial alcohol dealer
- Winegrower
- On-sale general brew pub
- On-sale general for airplanes
- Importer
- Distilled spirits manufacturer's agent

- On-sale general for trains
- Rectifier
- Wine direct shipper

If you applied to the ABC for one of the above licenses, please refer to "How do I register?" section.

Common carriers, other than railroads and steamship companies, must also register with us in order to transport alcoholic beverages into this state.

How do I register?

You can apply for an account, license, or permit at www.boe.ca.gov. Select New Registration to get started. If you have questions, please contact our Customer Service Center at 1-800-400-7115, Monday through Friday, 8:00 a.m. - 5:00 p.m., (Pacific time), excluding state holidays.

What are the tax filing requirements?

All registered taxpayers, other than common carriers, must file a tax return on or before the 15th of the month following the period covered by the tax return. Common passenger carriers selling alcoholic beverages must file a tax return on or before the first day of the second month following the monthly period. You must file a return even if you do not owe tax for the reporting period and/or did not receive a tax return in the mail. Common carriers transporting alcoholic beverages into the state must file a report on or before the fifteenth

of each month covering deliveries made during the preceding calendar month.

You should keep a copy of your tax return on the licensed premises for verification by our auditors.

Penalties:

• Sending a late tax return

The penalty for filing a late tax return (including tax returns for which no tax was due) is \$50 or ten percent of the amount of tax due, whichever is greater. Late filers must include payment for the penalty and [interest](#) with their tax return.

• Sending a late payment

The penalty for late payment of tax is ten percent of the amount due. If you make a late payment, you must include the tax owed, the penalty, and interest.

Who pays the tax?

Beer and wine. In general, the California excise tax on beer and wine is paid by manufacturers, wine growers, and importers.

Distilled spirits. In general, the California excise tax on distilled spirits is paid by distilled spirits wholesalers based on sales to in-state retailers.

What is the tax rate?

For information on alcoholic beverage tax rates, please visit our website at www.boe.ca.gov/sptaxprog/tax_rates_stfd.htm.

BOARD MEMBERS (Names updated 2016)

SEN. GEORGE RUNNER (RET.)
First District
Lancaster

FIONA MA, CPA
Second District
San Francisco

JEROME E. HORTON
Third District
Los Angeles County

DIANE L. HARKEY
Fourth District
Orange County

BETTY T. YEE
State Controller

DAVID J. GAU
Executive Director

General exemptions

The following are exempt from the alcoholic beverage tax:

- Alcoholic beverages traveling through California destined for out-of-state.
- Certain sales of alcohol, distilled spirits, or wine for use in trades, professions, or for industrial purposes, and not for beverage purposes.
- Distilled spirits, beer, and wine sold for export and actually exported.
- Sales of alcoholic beverages to certain commercial carriers of persons when beverages will be used on their facilities outside California.
- Sales of distilled spirits by brandy manufacturers, distilled spirits manufacturers, rectifiers, importers, and distilled spirits wholesalers to U.S. Army, Air Force, Navy, Marine Corps, or Coast Guard exchanges, officers' clubs, noncommissioned officers' and enlisted men's clubs, or messes located in California.

Tax credits

Tax credits may be allowed for:

- Beer or wine subsequently exported outside California or destroyed (documentation may be required.) (Revenue and Taxation Code section [32176](#))
- Distilled spirits sold to certain persons holding a permit under federal law and who use the distilled spirits in food products. (Revenue and Taxation Code section [32214](#))

Where should records be maintained?

You must maintain your records at your licensed premises unless we have given you permission to keep them at another location.

How do I obtain more information?

If you have questions regarding this program, please contact us by mail, phone, or email at:

Special Taxes and Fees
State Board of Equalization
PO Box 942879
Sacramento, CA 94279-0088

Customer Service Center:

1-800-400-7115 (TTY:711); select the option for Special Taxes and Fees
www.boe.ca.gov/info/email.html

Note: This publication summarizes the law and applicable regulations in effect when the publication was written. However, changes in the law or in regulations may have occurred since that time. If there is a conflict between the text in this publication and the law, decisions will be based on the law and not on this publication.