

DEPARTMENT OF REVENUE

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Tax 8

Tax 8.06 Mixture of specially taxed and regularly taxed intoxicating liquors. (s. 139.03(2m) and (2t), Stats.) Any manufacturer, rectifier or out-of-state permittee which sells alcoholic beverages in this state containing both intoxicating liquor subject to the tax rate provided in s. 139.03(2m), Stats., and intoxicating liquor subject to the tax rate provided in s. 139.03(2t), Stats., shall affix revenue stamps in the proper denominations based on the tax rate in s. 139.03(2m). Credit for the percentage of specially taxed intoxicating liquor included in the product shall be calculated on the monthly intoxicating liquor report filed by the permittee and, after verification by the department, may be applied to future revenue stamp purchases by the permittee. Such credits may be used only by the permittee which claimed it or, in the event of termination of business by that permittee, by a successor permittee.

Note: Examples of how the tax is to be computed are as follows:

Example #1: Whiskey is blended containing 70% specially taxed intoxicating liquor and 30% regularly taxed intoxicating liquor.

Computation:

70% × \$1.00	=	\$.70
30% × \$2.60	=	\$.78
Total tax per gallon		\$1.48

Regular tax per gallon		\$2.60
Calculation above		-\$1.48
Credit per gallon		<u>\$1.12</u>

Alternative computation method (short-cut method):

% of specially taxed intoxicating liquor	×	\$1.60 (difference between regular and special rate)	= credit
70%	×	\$1.60 =	<u>\$1.12</u>

Example #2: Whiskey is blended containing 80% specially taxed intoxicating liquor and 20% regularly taxed intoxicating liquor.

Computation:

80% × \$1.00	=	\$.80
20% × \$2.60	=	+\$.52
Tax per gallon		\$1.32

Regular tax per gallon		\$2.60
Calculation above		-\$1.32
Credit per gallon		<u>\$1.28</u>

Alternative computation:

80% × \$1.60	=	<u>\$1.28</u>
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History: Cr. Register, June, 1979, No. 282, eff. 7-1-79.

Tax 8.11 Reports. (s. 139.11, Stats.) Monthly reports must be filed by all manufacturers, rectifiers, wholesalers, wineries and out-of-state permittees having a permit to ship into or do business within the state of Wisconsin, on forms furnished by the department of revenue. Such reports must be made in duplicate, the original to be mailed to the department of revenue on or before the tenth day of each month covering the preceding calendar month, and the duplicate to be retained by the firm submitting the report. Reports must be submitted on the basis of wine gallons, not proof gallons. In the event no transactions occur in any given

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month the report must be filed with a notation written across the face: "No transactions."

Note: Blank forms may be obtained from the Department of Revenue, Box 75, Madison, Wisconsin 53701.

History: 1-2-56; am. Register, June, 1975, No. 234, eff. 7-1-75.

Tax 8.21 Purchases by the retailer. (ss. 139.11 (1) and 176.03 (1), Stats.) (1) No firm, person or corporation having a license to engage in the retail sale of intoxicating liquor shall purchase intoxicating liquor except from a duly registered Wisconsin manufacturer, rectifier, wholesaler or winery.

(2) Holders of either a Class A or Class B retail license shall retain invoices covering all purchases of intoxicating liquor for a period of 2 years from the date of the invoice. Such invoices shall be retained on the licensed premises in groups covering a period of a month each and shall be open to inspection at all reasonable times by any representative of the department of revenue. The date of payment, if paid, must be recorded on each invoice.

History: 1-2-56; am. (2), Register, January, 1958, No. 25, eff. 2-1-58; am. Register, June, 1975, No. 234, eff. 7-1-75.

Tax 8.22 Purchases made outside of state. (s. 176.05 (1a), Stats.) (1) No Wisconsin manufacturer, rectifier, wholesaler or winery shall purchase or receive intoxicating liquor from without the state except from a person, firm or corporation holding an out-of-state permit issued pursuant to s. 176.70, Stats.

(2) Wisconsin manufacturers, rectifiers, wholesalers and wineries will be furnished a list of out-of-state permittees duly licensed to ship intoxicating liquor into the state. Purchases may be made and shipments received only from the permittees included on such lists.

(3) Out-of-state permittees will be furnished a complete list of Wisconsin manufacturers, rectifiers, wholesalers and wineries to whom sales and shipments of intoxicating liquor may be made.

History: 1-2-56; am. Register, June, 1975, No. 234, eff. 7-1-75.

Tax 8.31 Sales out of Wisconsin. (s. 139.04 (5), Stats.) (1) The occupational tax imposed upon the sale of intoxicating liquor within the state does not apply to merchandise which is shipped from within the state to a point outside the state. Manufacturers, rectifiers and wholesalers need not affix revenue stamps to the original containers of alcoholic liquors that are sold and shipped outside the state. The burden of proof, however, is at all times upon the Wisconsin manufacturer, rectifier or wholesaler to show that such merchandise actually went into interstate commerce.

(2) Wisconsin manufacturers, rectifiers, wholesalers and wineries claiming exemption from the occupational tax on intoxicating liquor on the ground that shipments or deliveries were made in interstate commerce shall certify, under oath:

(a) That the persons receiving such shipments or deliveries in a foreign state at the address stated are licensed to receive the same or

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