

Tax 8

CERTIFICATE OF RULE ADOPTION

STATE OF WISCONSIN)
DEPARTMENT OF REVENUE)

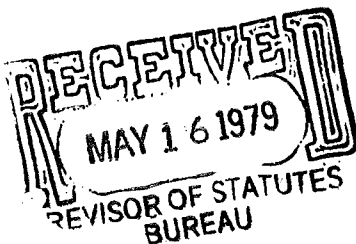
TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Mark E. Musolf, Secretary of the Department of Revenue and custodian of the official records of said Department, do hereby certify that the annexed rules were duly approved and adopted by this Department on May 15, 1979. These rules relate to the following:

- 1) Refunds of special tax on intoxicating liquor (intoxicating liquors tax).
- 2) Taxation of mixture of specially taxed and regularly taxed intoxicating liquors (intoxicating liquors tax).

I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 201 East Washington Avenue in the city of Madison, this 15th day of May, 1979.



Mark E. Musolf

A handwritten signature in cursive script, appearing to read "Mark E. Musolf", written over a horizontal line.

ORDER OF THE DEPARTMENT OF REVENUE ADOPTING RULES

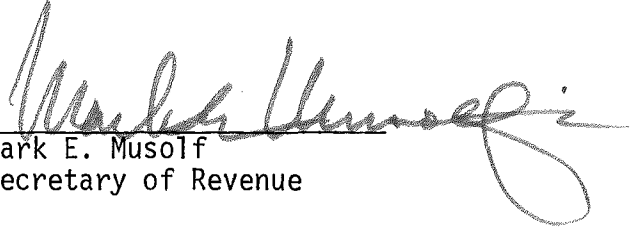
Pursuant to the authority vested in the Department of Revenue by ss. 139.08(2) and 227.014(2), Wis. Stats., the Department hereby adopts the following 2 rules as shown on the attached copy:

- 1) Section Tax 8.04, "Refunds".
- 2) Section Tax 8.06, "Mixture of specially taxed and regularly taxed intoxicating liquors".

The rules contained herein shall take effect on July 1, 1979.

Dated this 15th day of May, 1978.

DEPARTMENT OF REVENUE
BY:


Mark E. Musolf
Secretary of Revenue

REFUNDS OF SPECIAL TAX

SECTION 1. Tax 8.04 of the Wis. Adm. Code is amended to read:

Tax 8.04 Refunds. (section 139.10, Wis. Stats.) (1) Intoxicating liquor revenue stamps unfit for use or otherwise unused which are in the possession of a manufacturer, rectifier, wholesaler or out-of-state permittee properly ~~licensed~~ authorized, may be returned to the department ~~of revenue~~ and a refund for the tax value of such stamps, less a stamp printing and service charge, will be issued to the manufacturer, rectifier, wholesaler or out-of-state permittee returning such stamps.

(2) A manufacturer, rectifier, wholesaler or out-of-state permittee properly ~~licensed~~ authorized by this state, who ~~has-in-his-possession~~ possesses intoxicating liquor in sealed containers which is spoiled or has become unfit for beverage purposes may file a request for a tax refund with the department ~~of revenue~~, and a refund for the amount of the tax applying to such merchandise may be made providing the mutilation of stamps affixed to such merchandise is witnessed by a representative of the department ~~of revenue~~, and providing the applicant agrees to assume the expense and service charge of the ~~state~~ state's ~~representative assigned-to-witness-the~~ mutilation-of-such-stamps.

SECTION 2. Tax 8.04(3) of the Wis. Adm. Code is adopted to read:

Tax 8.04(3) A manufacturer, rectifier or out-of-state permittee which has qualified for the tax credit under rule Tax 8.06 who possesses intoxicating liquor in sealed containers which is spoiled or has become unfit for beverage purposes may file a request for a tax refund with the department. A refund may be made if the mutilation of stamps affixed to such merchandise is witnessed by a representative of the department, and if the permittee agrees to assume the expense and service charge of the state representative. The refund to such permittee shall be based on the special tax rate of \$1 per gallon unless the permittee provides documentation that the merchandise was subject to tax at a higher rate.

MIXTURE OF SPECIAL TAX AND REGULAR TAX INTOXICATING LIQUORS

Tax 8.06 of the Wis. Adm. Code is adopted to read:

Tax 8.06 Mixture of specially taxed and regularly taxed intoxicating liquors. (Sections 139.03(2m) and (2t), Wis. 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 section 139.03(2m), Wis. Stats., and intoxicating liquor subject to the tax rate provided in section 139.03(2t), Wis. 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% x \$1.00	=	\$.70
30% x \$2.60	=	<u>\$.78</u>
Total tax per gallon		\$1.48

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

Alternative computation method (short-cut method):

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

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