

NCDOR

**NORTH
CAROLINA
DEPARTMENT
OF REVENUE**

**Alcoholic Beverage
License and Excise Taxes**

Disclaimer

- Presentation is for general information only and may not be recorded.
- Presentation content should not be interpreted as specific tax advice for a specific tax situation.
- Some questions may require additional facts before a response may be given.
- Some questions may require responses from other Departmental employees or employees of other agencies.
- The presentation does not take into consideration draft or future legislation.

Topics

- Filing requirements: B-C-784 and B-C-786
- Tax forms
- Due dates
- File and pay options
- Common reporting errors
- Scenarios (B-C-784 & B-C-786)
- Resources
- Record Keeping
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- Closing a business

Alcoholic Beverage License and Excise Taxes

Article 2C of Chapter 105 of the North Carolina General Statutes provides the provisions for the Alcoholic Beverage License and Excise Taxes.

Excise Taxes on Wine

26.34¢
Per liter

On the sale
of unfortified
wine

29.34¢
Per liter

On the sale
of fortified
wine

Filing Requirements

The Form B-C-784 must be filed by those holding any of the following permit types issued by the North Carolina Alcoholic Beverage Control (ABC) Commission:

- Unfortified Winery (G.S. 18B-1101)
- Fortified Winery (G.S. 18B 1102)
- Wine Importer (G.S. 18B-1106)
- Wine Wholesaler (G.S. 18B-1107)
- Wine Producer (G.S. 18B-1114.3)

The Form B-C-786 must be filed each year by resident and nonresident wineries holding the following permit type issued by the North Carolina Alcoholic Beverage Control (ABC) Commission:

- Wine Shipper (G.S. 18B-1001.1)

Tax Form: B-C-784

NCDOR
Web-Fill
3-19

B-C-784 Wine Wholesaler and Importer and Resident Winery Excise Tax Return



Return for Month Ended (MM-DD-YY) <input type="text"/>	DOR Use Only <input type="text"/>	FEIN or SSN <input type="text"/>	
Legal Name (First 35 Characters) (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS) <input type="text"/>		NCDOR ID/Account Number <input type="text"/>	
Trade Name <input type="text"/>		ABC Permit Number <input type="text"/>	
Mailing Address <input type="text"/>		Fill in circle if applicable: <input type="radio"/> Amended Return <input type="radio"/> No Transactions	
City <input type="text"/>	State <input type="text"/>		Zip Code <input type="text"/>
Name of Contact Person <input type="text"/>			State of Domicile <input type="text"/>
Phone Number <input type="text"/>	Fax Number <input type="text"/>		

Part 1. Computation of Wine Excise Tax		Unfortified Wine	Fortified Wine
1. Beginning Inventory (In liters)	▶ 1.	<input type="text"/>	<input type="text"/>
2. Total Liters Received or Produced for Sale (From Part 2, Total)	▶ 2.	<input type="text"/>	<input type="text"/>
3. Total Liters Available (Add Lines 1 and 2)	3.	<input type="text"/>	<input type="text"/>
4. a. Allowable Deductions (See Instructions)	▶ 4a.	<input type="text"/>	<input type="text"/>
b. Adjustments to Taxable Transactions (From Part 3, Total)	▶ 4b.	<input type="text"/>	<input type="text"/>
c. Military Sales (From Part 4, Total)	▶ 4c.	<input type="text"/>	<input type="text"/>
d. Ending Inventory (In liters)	▶ 4d.	<input type="text"/>	<input type="text"/>
5. Total Taxable Liters (Line 3 minus Lines 4a - 4d)	5.	<input type="text"/>	<input type="text"/>
6. Tax Rate	6.	26.34¢	29.34¢
7. Total Excise Tax Due (Multiply Line 5 by applicable tax rate on Line 6)	7.	<input type="text"/>	<input type="text"/>
8. Discount (Multiply Line 7 by 2% if return with full payment is timely filed; otherwise enter zero.)	▶ 8.	<input type="text"/>	<input type="text"/>
9. Net Tax Due (Line 7 minus Line 8)	▶ 9.	<input type="text"/>	<input type="text"/>
10. Penalty (10% for late payment; 5% per month, maximum 25% for late filing) (Multiply Line 7 by rate above if return with full payment is not filed timely.)	▶ 10.	<input type="text"/>	<input type="text"/>
11. Interest (See the Department's website, www.ncdor.gov, for current interest rate.) (Multiply Line 7 by applicable rate if return with full payment is not filed timely.)	▶ 11.	<input type="text"/>	<input type="text"/>
12. Total Due (Add Lines 9 through 11)	12.	<input type="text"/>	<input type="text"/>
13. Total Payment Due (Add Line 12 for both Unfortified and Fortified Wine)	▶ 13.	<input type="text"/>	

Signature: Title: Date:

I certify that, to the best of my knowledge, this return is accurate and complete.

For your convenience, electronic payment methods are available through our website at www.ncdor.gov.

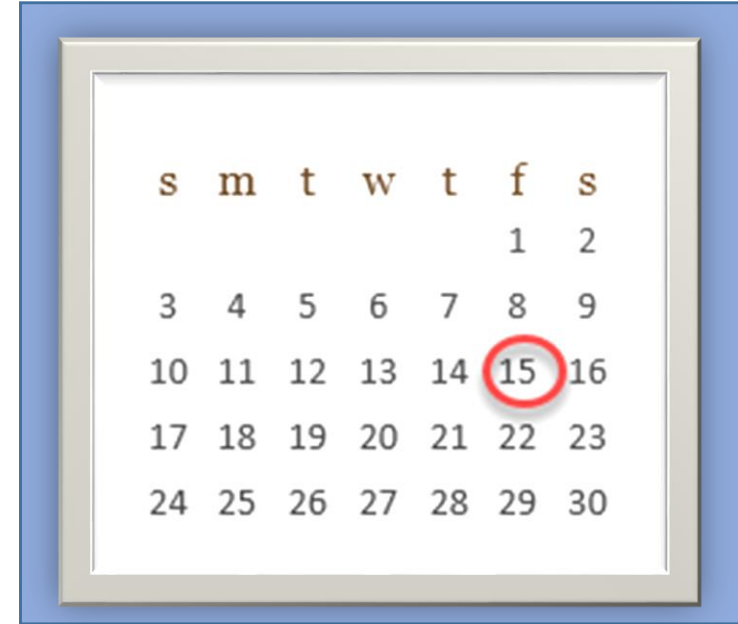
Due Dates

Form
B-C-784

- On or before the 15th day of the month following the month in which wine is first sold or otherwise disposed of in this State.

Form
B-C-786

- On or before the 15th day of the month following the end of the calendar year.



Note: If the due date falls on a Saturday, Sunday, or state holiday, the return and payment must be received by the Department or must be postmarked on the next business day.

File and Pay Options

File and Pay Options	By Mail	By Phone
Form B-C-784	●	
Payment (B-C-784)		●
Form B-C-786	●	
Payment (B-C-786)	●	

Note: A return must be filed even if no tax is due.

Common Reporting Errors

When to begin filing the return

Using the NCDOR ID

Entering beginning inventory

Incorrect use of forms

Entering sales in bottles

Computing the discount













Placement of the decimal

Fill in circle for “Amended returns”

Resources

Home File & Pay Taxes & Forms Received A Notice News About Us Contact Us

Tax Resource Categories

 Individual Income Tax	 Sales & Use Tax	 Withholding Tax	 Corporate Income & Franchise Tax
 Privilege License Tax	 Motor Fuels Tax	 Alcoholic Beverages Tax	 Tobacco Products Tax
 Partnership Tax	 Motor Carrier Tax (IFTA/Intrastate)	 Property Tax	 Other Taxes and Fees

The tax forms, instructions, Technical Bulletin, Important Notices are available on the Department's website @ www.ncdor.gov.

In lieu of in person verification, the Department will accept documentation such as



Excise Tax Division
North Carolina Department of Revenue
Post Office Box 25000
Raleigh, North Carolina 27640-0001
www.ncdor.gov

Important Notice: Alcoholic Beverage Tax, "Major Disaster" affected by Novel Coronavirus Disease 2019 (COVID-19)

May 5, 2020

In response to the hardship caused by COVID-19, the Department of Revenue ("Department") is providing alternative means for wholesalers and importers to prove they qualify for the major disaster exemption on malt beverages or wine rendered unsalable.

This is effective from the date of issuance of this important notice through July 15, 2020 for all requests (Form B-C-750) to the Department to verify whether the taxpayer is eligible to claim the major disaster exemption.

Major Disaster

G.S. 105-113.81(a) defines a major disaster as the destruction, spoilage, or rendering unsalable of 50 or more cases, or the equivalent, of malt beverages or 25 or more cases, or the equivalent, of wine. The statute provides that wholesalers and importers of malt beverages and wine are not required to remit excise taxes on malt beverages or wine rendered unsalable by a major disaster. To qualify for the exemption, the wholesaler or importer shall prove to the satisfaction of the Secretary that a major disaster occurred.

Procedures to Claim Major Disaster Exemption

Normally, a Departmental representative must witness the destruction of the unsalable malt beverages or wine, and sign *Form B-C-750, Report of Alcoholic Beverages Major Disaster* before a taxpayer can qualify for the exemption. Due to the COVID-19 pandemic, the Department will not witness the destruction of malt beverages or wine claimed as a major disaster in person.

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Helpful Tips

Record Keeping

Record Keeping Requirements

N.C.G.S. 105-113.88



A person who is required to file a report or return must keep a record of all documents used to determine information the person provides in a report or return.



The records must be kept for three (3) years from the due date of the report or return to which the records apply.



Power of Attorney

Tax information is confidential pursuant to N.C.G.S. 105-259. The GEN-58 is required when:

Someone other than an owner, officer, member, or partner of the business entity, contacts the Department to receive and inspect confidential tax information.

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Gen. 58
Web-File

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GEN-58
Power of Attorney and
Declaration of Representative
North Carolina Department of Revenue, P. O. Box 25000, Raleigh, NC 27640-0005
Fax: 919-715-1786

PRINT CLEAR

Part 1. Power of Attorney (Please type or print.)

1 Taxpayer Information (Taxpayer(s) must sign and date this form on page 2, line 7.)

Taxpayer name(s) and address	Social security number(s)	Fed Employer ID Number
		Daytime telephone number

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) (Representative(s) must sign and date this form on page 2, Part 2.)

Name and address	Telephone No.
	Fax No.
Name and address	Telephone No.
	Fax No.
Name and address	Telephone No.
	Fax No.

to represent the taxpayer(s) before the North Carolina Department of Revenue for the following matters:

3 Tax Matters You may list any tax years or periods that have already ended as of the date you sign the power of attorney. You may include future tax years or periods that end no later than 3 years after the date the power of attorney is received by the Department of Revenue.

Type of Tax (Individual, Corporate, Sales, etc.)	Year(s) or Period(s)

4 Acts Authorized. - The representatives are authorized to receive and inspect confidential tax information, which may include federal tax information, and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. For purposes of this section, federal tax information is defined as federal tax returns and return information received from the Internal Revenue Service.



List any specific additions or deletions to the acts otherwise authorized in this power of attorney:

Form NC-BN

If a permittee required to be registered, changes ownership or stops engaging in the activities authorized by an issued ABC permit, the permittee must notify the Department in writing of the change. The Form NC-BN may be printed online @ www.ncdor.gov and mailed separately to the Department.

The permittee is responsible for maintaining a bond or irrevocable letter of credit and submitting all returns and payments while the issued ABC permit is active.

G.S. 105-113.83A(c)

NCDOR Web-File 12-18 | **NC-BN** Out-of-Business Notification  

Account Information

SSN or FEIN

Account ID

Legal Name

Address

City State Zip Code

1. If permanently closed, enter the date closed.*

2. If a seasonal business has temporarily closed, fill in circle(s) for months business is open:

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

You must file returns for the months the business is open.

3. Fill in each circle for accounts that are seasonal or closed:

All Business Accounts
 Franchise and Corporate Income
 Partnership
 Sales and Use*
 Withholding
 Other

*If you registered via the Streamlined Sales Tax Registration System, do not use this form. Any updates must be made at www.sstiregister.org.

Mail to: North Carolina Department of Revenue, P.O. Box 25000, Raleigh, North Carolina 27640-0001
(Do not send this form with a tax return.)

Note: If a permittee required to be registered, changes ownership, B-C-785, Alcoholic Beverage Excise Tax Registration Form, is required in addition to the Form NC-BN.

Thank You!

Questions?

Contact Us

Telephone numbers: **877-308-9092** or **1-919-733-3641**