

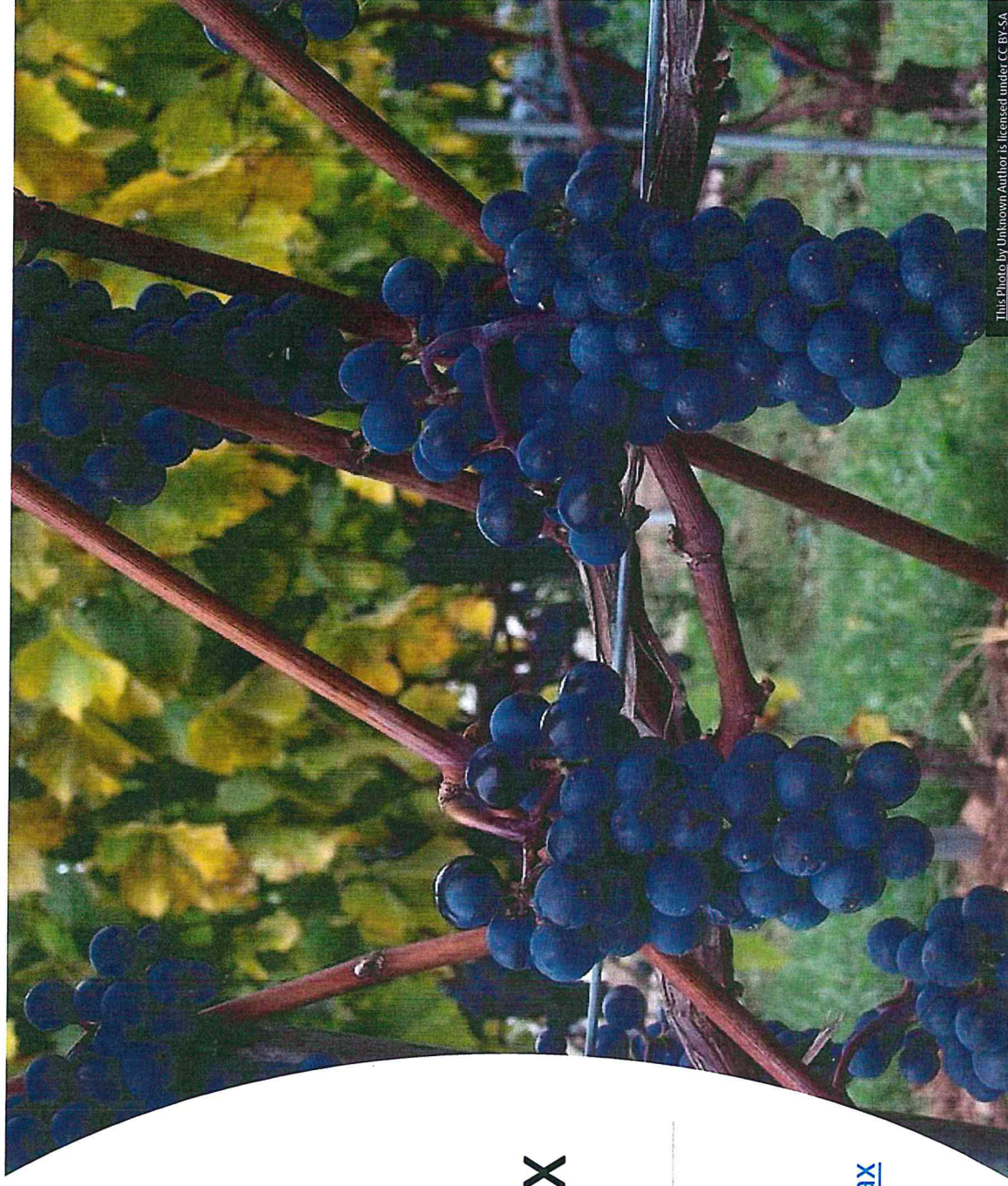


AMC 12.65 Alcoholic Beverages Retail Sales Tax

Presented by:

Treasury Division

Website: www.muni.org/alcoholtax



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Important Dates

- December 1, 2020: Online registration opens
- February 1, 2021: Begin collecting alcohol tax
- March 15, 2021: Last day to register for certificate without incurring late registration penalty of \$250
- March 31, 2021:
 - Last day for filing first monthly tax return reporting taxable sales and tax due
 - Last day for remitting tax due for the reporting month of February

Tax Rate

Tax Rate is 5% of sales price paid

Sales Price is:

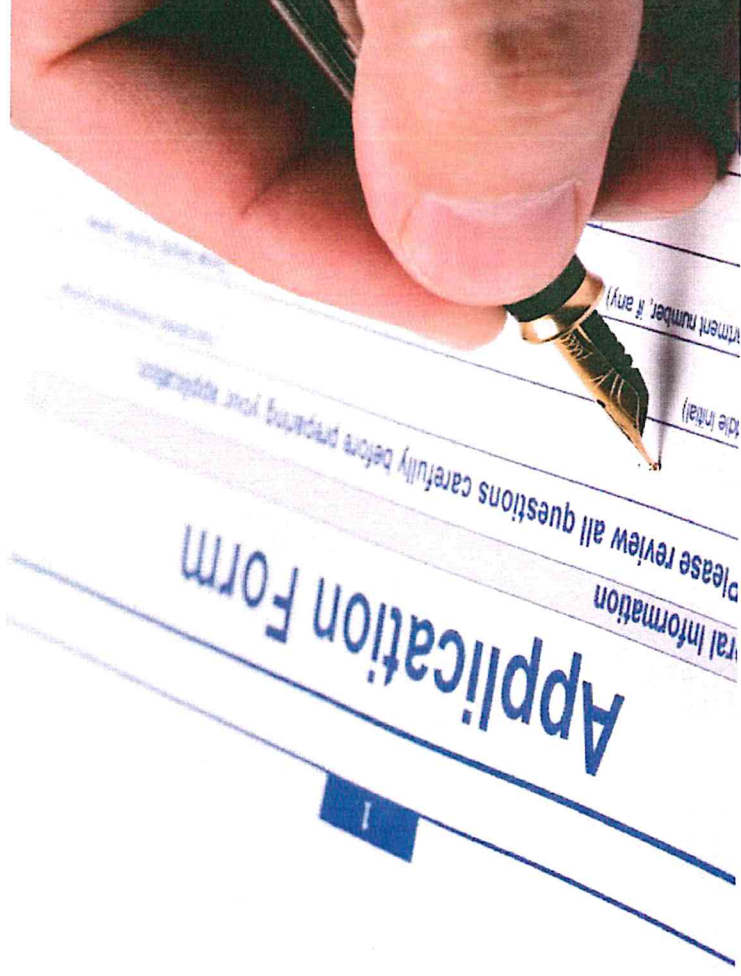
Money paid to retailer by the consumer

Tax Exemptions

(AMC 12.65.040)

- Wholesale and manufacturer sales of alcoholic beverages
- Corkage fees
- Component parts (kegs, growlers)
- Sales of alcohol on common carriers within the city
- Sales of alcohol by United States
- Sales of alcohol to an officer or employee of a foreign government exempt from taxation

Application for Certificate



Municipality of Anchorage, Treasury Division
APPLICATION FOR A CERTIFICATE OF REGISTRATION
ALCOHOLIC BEVERAGES RETAIL SALES TAX

5000 Bright Lane 12
University of Anchorage
Treasure Dr., Anchorage
622 W. 4th Ave., Suite 210
P.O. Box 190263
Anchorage, AK 99519-0260

Municipality of Anchorage, Treasury Division
APPLICATION FOR A CERTIFICATE OF REGISTRATION
ALCOHOLIC BEVERAGES RETAIL SALES TAX

Check box that applies. If a choice is not listed, check "Other" and provide specifics about the reason(s) for submitting an application. If an existing business was purchased, provide details regarding the former owner.

☐ Newly Registered Business☐ On an additional page ☐[illegible]

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Presented by Treasury Division

Application Submittal

- Retailers must apply for a Certificate of Registration for each location
- We **strongly encourage** online registration using Formstack on our website:

www.muni.org/alcoholtax

- Available December 1, 2020
- You can attach and send PDFs with your application
- Online application promotes complete and accurate applications and reduces processing time.

Application Submittal, continued

- The following documents must be submitted with the application:
 - SOA Business License
 - AMCO alcohol retail license(s) or permit(s)
- No Charge for issuing Certificate of Registration
- Allow 5 business days for processing complete applications

Tax Return Filing Procedures



Tax Return Sample



Municipality of Anchorage, Treasury Division
ALCOHOLIC BEVERAGES RETAIL SALES TAX
MONTHLY TAX RETURN
Please Type or Print Clearly



MOA Certificate Number: Name of Retailer as shown on the Certificate of Registration: Year: Month:

☐ Amended ☐ Tax Return

1. Gross Receipts From Sales of Alcoholic Beverages:	\$
2. Tax Exempt Sales:	\$
3. Total Taxable Sales (line 1 minus line 2):	\$
4. Tax Due this Month (5% of line 3):	\$
5. Prior Tax Paid (see instructions):	\$
6. Amount of Tax Due (line 4 minus line 5):	\$
7. Penalty: Failure to File Timely: ☐ 0% ☐ 10% ☐ 25%	\$
8. Penalty: Failure to Pay Timely: ☐ 0% ☐ 10% ☐ 25%	\$
9. Other Penalties and Costs:	\$
10. Interest: Number of days	\$
11. Paper Filing Fee:	\$
12. Total Amount Due (Add Lines 6, 7, 8, 9, 10 and 11):	\$ 50.00

I certify under penalty of perjury that this return has been examined by me and to the best of my knowledge and belief is a true, correct and complete return of all retail sales of alcoholic beverages during this tax period.
The Municipality's acceptance of this tax return does not imply that this tax return is complete, accurate, or in compliance with Anchorage Municipal Code (AMC) 12.65. The total amount due is subject to change after the verification process has been completed. You will be notified of any discrepancies found.

Signature of Authorized Representative: Printed Name: Title:

Date: Phone: Email:

41-555 Rev. 3.05

File Tax Return

- Go to our website: www.muni.org/alcoholtax for detailed instructions on how to setup your tax account and file tax return online through a new process - eGovern
- After your application is approved Treasury will send an email with your 11 digit account ID number and a WEB PIN to register for online tax return filing and payment.
- WEB PIN expires after 7 days
- File tax return online to avoid \$50 paper filing fee

Tax Return Filing Procedures

- File online <https://muni.org/strtaxpayments> after you have set up your eGovern tax account
- Pay online with electronic check
 - Our third-party payment processor charges a user fee ranging from \$2.00 to \$20.00, depending on the amount of the tax remittance.
 - Fee schedule will be posted on website

Tax Return Filing Procedures, continued

- On or before the last day of each calendar month, every retailer must submit a tax return to the department
- Example: Sales occurred in February 2021 – Tax Return and payment due by March 31, 2021
- Example: Sales occurred in March 2021 – Tax Return and payment due by April 30, 2021
- Even if no sales occurred during the month you are required to file a zero-dollar tax return

Payment Procedures



Payment Posting

- Payments are credited to the tax period for which remitted
- Payments are applied in the following order:
 - Penalties
 - Interest
 - Taxes due

Penalties and Interest

(AMC 12.65.270 & AMC 12.65.260)

- **There is a separate penalty for late filing and a separate penalty for late payment**
- **10% Penalty:** Failure to file **OR** pay within 7 days following the due date
- **25% Penalty:** Failure to file **OR** pay within 16 days following the due date
- Interest is assessed at a rate of 12% and is calculated daily from the due date

Penalties and Interest, continued

- Additional code mandated penalties:
 - Late registration penalties will not be assessed before March 15, 2021
 - Don't wait until the last minute to apply - we expect a high volume of applications
 - Failure to obtain a certificate of registration prior to operating as a retailer shall automatically incur a penalty of \$250 (AMC 12.65.270)
 - Penalty for civil fraud as defined in AMC 12.65.220 is the greater of \$1,000 or 200% of the deficiency due
 - More detail about penalties and the computation methods can be found in AMC 12.65.270 & AMC 12.65.260

Fiduciary Responsibilities

(AMC 12.65.010, AMC 12.65.060 & AMC 12.65.140)

- Fiduciary means retailer (or person acting on behalf of the retailer) who is entrusted with duties to collect, segregate and remit alcohol tax
- A person in a position of trust that takes care of money or assets for the benefit of the Municipality
- Officially begins when a retailer's application to Treasury is approved
- Financial guarantee generally not required for most applicants

Fiduciary Responsibilities, continued

(AMC 12.65.010, AMC 12.65.060 & AMC 12.65.140)

- Retailers must:
 - Implement policies and practices to ensure you meet code requirements
 - Assess, collect, safeguard and timely remit taxes
 - Segregate tax funds from retailer funds
 - Maintain complete and accurate records

Recordkeeping Requirements

(AMC 12.65.210)

Complete and accurate records include:

- Books of accounts, journals, ledgers, and other compilations of source documents
- Detailed inventory records including periodic inventory counts
- Alcoholic beverage acquisition and sales data
- More requirements can be found in AMC 12.65.210

Recordkeeping Requirements, continued

- Sales transactions should record the following:
 - Date of sale
 - Type of alcoholic beverage sold
 - Quantity of alcoholic beverages sold
 - Sales price
 - Retail sales tax charged
 - Amount and method of payment
- Provide a similar receipt to each consumer at time of sale

Prohibited Acts



Prohibited Acts

(AMC 12.65.250)

Prohibited acts include, but are not limited to the following:

- Engaging in business as a retailer without a proper and current registration
- Failing or refusing to pay the tax imposed by the code
- Advertising to the public that the tax or any part of it will be:
 - refunded
 - assumed or absorbed by the retailer

Prohibited Acts, continued

- Denying the Chief Fiscal Officer (CFO) access to the retailer's records and inventory
- Failing to hold funds in trust for the Municipality
 - Designate these funds as a liability – something you owe
 - These funds are paid by the consumer
- Failing to timely remit collected funds to the Municipality
- Preparing false returns
- A more complete list can be found at AMC 12.65.250

Special Event Organizers

- Special Event organizers must apply for a Temporary Special-Use Certificate for each event where expected sales of alcohol will exceed \$5,000.00
- The following documents must be submitted with the application:
 - SOA Business License
 - AMCO alcohol retail license(s) or event permit(s)
 - May submit copy of permit application where SOA permit hasn't been received
- Required to pay tax deposit where expected sales exceed \$5,000.

Special Event Organizers, continued

- No charge for issuing Special-Use Certificates
- Allow 5 business days for processing complete applications
- The filing method for special event tax returns will be determined after we meet with several special event organizers

Contact Information

Tax Enforcement Officers I:

General Questions and Help with Applications, Payments, or Filings

- By phone: 907-343-6670
- By email: wwpt@anchorageak.gov

Tax Enforcement Officers II (field auditors):

- Regina James – 907-343-6967 (regina.james@anchorageak.gov)
- Paula Birmingham – 907-343-6964 (paula.birmingham@anchorageak.gov)
- Karol (Karl) Rasziewicz – 907-343-6676 (karol.Rasziewicz@anchorageak.gov)

Tax Enforcement Group - Supervisor:

- Paula Reiswig– 907-343-6965 (paula.reiswig@anchorageak.gov)

Questions / Comments

- For information related to Alcoholic Beverages Tax and for all updates, please visit our website:

www.muni.org/AlcoholTax