



AMC 12.65  
Alcoholic  
Beverages  
Retail Sales Tax

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Presented by:

Treasury Division

Website: [www.muni.org/alcoholtax](http://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



# Application Submittal

- Retailers must apply for a Certificate of Registration for each location
- Online registration begins December 1, 2020
  - You can attach and send PDFs with your online application
  - Online application promotes complete and accurate applications and reduces processing time
  - Late registration penalties (for existing retailers) will not be assessed before March 15, 2021 – but don't wait til the last minute to apply
  - PDF/paper application available in limited circumstances

# Application Submittal, continued

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



# Application Submittal, continued

Find the link below on our website

## Application for a Certificate of Registration

The application process is now open for the alcoholic beverages retail sales tax that will be effective on February 1, 2021. The application is designed to be completed and submitted online. If you require assistance and/or not able to complete the online form please contact the Treasury Department at (907) 343-6670 or email [wwpt@achorageak.gov](mailto:wwpt@achorageak.gov).

For application for a certificate, use the following link:

- **New!** [Application for Treasury's Certificate of Registration](#)

# 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

**IMPORTANT NOTICE**  
 Send original form to:  
 Municipality of Anchorage  
 Treasury Div., Alcohol Tax  
 522 W. 8th Ave., Suite 330  
 P.O. Box 194659  
 Anchorage, AK 99519-0650

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: <input type="checkbox"/> 0% <input type="checkbox"/> 10% <input type="checkbox"/> 25%	\$	
8.	Penalty: Failure to Pay Timely: <input type="checkbox"/> 0% <input type="checkbox"/> 10% <input type="checkbox"/> 25%	\$	
9.	Other Penalties and Costs:	\$	
10.	Interest: Number of days <input type="text"/>	\$	
11.	Paper Filing Fee:	\$	50.00
12.	Total Amount Due (Add Lines 6,7,8,9,10 and 11):	\$	

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:

41-005 Ver. 5\_20

# File Tax Return

- Go to our website: [www.muni.org/alcoholtax](http://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 \$1.75 to \$6.00, 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
- Required to pay tax deposit where expected sales exceed \$5,000.
  - Deposit will be 5% of expected sales
- 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

# 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](mailto:wwpt@anchorageak.gov)

## Tax Enforcement Officers II (field auditors):

- Regina James – 907-343-6967
- Paula Birmingham – 907-343-6964
- Karol (Karl) Raszkievicz – 907-343-6676

## Tax Enforcement Group - Supervisor:

- Paula Reiswig– 907-343-6965

# Questions / Comments

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

[www.muni.org/AlcoholTax](http://www.muni.org/AlcoholTax)