



Announcement

December 30, 2016

Statutory Amendments Affecting Excise Tax Due Dates and Bond Requirements for Eligible Taxpayers Become Effective; TTB Regulations To Be Published Soon

Changes to excise tax due dates and bond requirements in the Internal Revenue Code of 1986 made by the Protecting Americans from Tax Hikes Act of 2015 (PATH Act) become effective on January 1, 2017. Briefly, the changes are as follows:

- Beginning with the calendar quarter that starts on January 1, 2017, taxpayers who reasonably expect to be liable for not more than \$1,000 in taxes imposed with respect to distilled spirits, wines, and beer for the calendar year (and who were liable for not more than \$1,000 in such taxes in the preceding calendar year) can pay those taxes annually, rather than quarterly.
- Beginning with the calendar quarter that starts on January 1, 2017, taxpayers are exempt from bond requirements if they reasonably expect to be liable for not more than \$50,000 in taxes imposed on distilled spirits, wine, and beer for the calendar year, were liable for not more than \$50,000 in such taxes in the preceding calendar year, and pay taxes on a semi-monthly, quarterly, or annual basis. Such taxpayers are exempt from bond requirements with respect to distilled spirits and wine only to the extent those products are for nonindustrial use.

To help alcohol excise taxpayers and applicants for permits and brewers' notices understand these changes and how the Alcohol and Tobacco Tax and Trade Bureau (TTB) is implementing them, TTB has also issued an Industry Circular. [Industry Circular 2016-2](#) provides an overview of the changes, describes how new applicants for permits and brewers' notices and existing proprietors can communicate their eligibility for the bond exemption, and describes the use of the annual return period.

TTB has developed regulations to implement these statutory changes, which will be published soon. When the regulations are available, TTB will issue a separate announcement.

If you have any questions regarding these statutory changes or the Industry Circular, please contact TTB's National Revenue Center by email, at TTBInternetQuestions@ttb.gov, or by telephone, at 877-882-3277.

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