

# QUARTERLY EXCISE TAX PAYMENT PROCEDURE FOR SMALL ALCOHOL EXCISE TAXPAYERS

If you paid less than \$50,000 in Distilled Spirits, Wine or Beer Excise Tax in 2005 you **MAY** be eligible to file returns & pay excise taxes on a quarterly basis.

Public Law 109-59 amended Internal Revenue Code section 26 USC 5061 to give small taxpayers an extended time to submit tax returns and pay distilled spirits, wine and beer excise taxes.

- The quarterly tax payment procedure will be available to certain taxpayers who pay the gallonage taxes on distilled spirits, wines, and beer produced in or imported into the United States, and the gallonage taxes on spirits, wines, and beer coming to the United States from Puerto Rico and the U.S. Virgin Islands.
- The quarterly tax payment procedure applies to *"any taxpayer who reasonably expects to be liable for not more than \$50,000 in taxes ...for the calendar year and who was liable for not more than \$50,000 in such taxes in the preceding calendar year."* We are working to make conforming changes to our regulations as soon as possible. The quarterly payment procedure will be available to eligible taxpayers with the quarter beginning January 1, 2006, whether or not we publish amended regulations.
- Taxpayers are reminded that this extended deferral of payment will result in a higher amount of taxes that have been determined, but not paid. We encourage taxpayers eligible for the quarterly payment procedure to review their bond coverage to see if it will cover the taxes they will owe in a typical quarter. If your current distilled spirits or wine bond is sufficient to cover two semimonthly return periods, it would need to be increased to cover seven semimonthly periods to qualify you for quarterly filing. Updated bond rules for brewers are pending.
- If your bond amount is not sufficient, you may file a superseding or strengthening bond to increase bond coverage so the quarterly liability will not exceed the bond. Or, you may continue on the semimonthly payment schedule.

For more information or to discuss bond changes contact TTB at [ttbquestions@ttb.gov](mailto:ttbquestions@ttb.gov) or write or call us at:

**National Revenue Center  
550 Main Street, Suite 8002  
Cincinnati, Ohio 45202-5215  
Toll Free: 1-877-TTB-FAQS (1-877-882-3277)**

12/27/2005.

**Due Dates  
for Quarterly Tax Returns  
for Alcohol Revenue Producing Plants  
Calendar Year 2006**

<b>Serial Number</b>	<b>Return Period</b>	<b>Due Date</b>
1	January 1- March 31, 2006	April 14, 2006
2	April 1- June 30, 2006	July 14, 2006
3	July 1- September 30, 2006	October 13, 2006
4	October 1- December 31, 2006	January 12, 2007

Public Law 109-59 amended 26 USC 5061 to allow proprietors of distilled spirits plants, bonded wineries, bonded wine cellars and breweries who were liable for not more than \$50,000 distilled spirits, wine or beer excise tax in the previous calendar year, and who reasonably expect to be liable for not more than \$50,000 in such taxes in the current year to file tax returns on a quarterly basis.

**NOTE: Be sure that bond coverage is sufficient before you elect to file returns on a quarterly basis. Refer to guidance posted on our web site at [www.ttb.gov](http://www.ttb.gov) concerning how to qualify for quarterly filing or call us at 1-877-882-3277.**

The above list takes into account all federal holidays. In the event that the due date, as indicated in this schedule, falls on a statewide legal holiday in the state where the return is required to be filed, the due date is the immediately preceding date which is not a Saturday, Sunday or legal holiday for Non-EFT payers.

Statewide legal holidays would not advance the due date of EFT tax returns and payments as long as the Federal Reserve Bank of New York City remains open and accepts electronic fund transfer payments.

For Pay.gov payments: Your ACH payment must be completed no later than 4:00 PM Eastern Time one business day prior to the due date.