

Form 1650 — Instructions Beer Wholesalers, Breweries, and Direct Shippers Tax Return

What's New

- Beer is now defined as up to 5% alcohol by volume (ABV). Strong beer is now any beer over 5% ABV.
- Don't include Forms BR 1601 through BR 1605.
- Report total exemptions. Don't report exemptions separately.

You must keep detailed records showing how you completed this return.

Record-Keeping Requirements

You must keep all the records you used to complete the return for four years.

Summarize your records numerically by date.

Keep all beer purchase orders, sales receipts, inventory records, records for gallons claimed as tax-exempt, and any other records used to complete the return.

Keep records verifying the destruction of unsaleable products.

Who Must Complete the Return

Every Idaho wholesaler, brewery, and direct shipper must complete a return.

File on the 15th day of the month after the end of your filing period. If the 15th is on a weekend or legal holiday, the return is due the next business day. **Round amounts to the nearest whole gallon.**

Remember to:

- File a return even when you don't owe tax.
- Sign your return. Include the name of the person signing, title, date, and phone number.

Check the appropriate box if you're:

- Amending a return. See the instructions below.
- Changing your address. Strike through the old address and write in the new one.
- Cancelling your return. Enter the last day of business.

Amended Returns

Submit an amended return using your copy of the original return. If you need a copy of your original return, contact the Tax Commission. Complete the entire return using the correct amounts. Don't enter the net change.

Specific Instructions

Accountable Gallons - Lines 1 through 9

Line 1. Beginning inventory. The beginning inventory is the ending inventory from the previous month.

Line 2. Total purchases/production. Enter your total purchases/production for the reporting period.

Line 3. Beginning inventory plus purchases/production. Enter the total of lines 1 and 2.

Line 4. Ending inventory (actual count). Enter the physical inventory taken at the end of the last working day of the reporting period.

Line 5. Gallons destroyed. Enter the actual gallons destroyed.

Records you must keep. Keep records of all product destroyed and verification of destruction.

Line 6. Total deductions. Add lines 4 and 5.

Line 7. Total gallons. Subtract line 6 from line 3.

Line 8. Out-of-state direct shippers. Enter total gallons sold.

Out-of-state direct shippers aren't in Idaho and ship products to an Idaho address. All sellers not shipping to a permitted Idaho wholesaler must have a tax account to pay tax as required by IDAPA 35.01.09.11.

Line 9. Total exemptions. Enter the total exempt gallons. Exemptions include, but aren't limited to:

- Gallons purchased with the beer tax included in the price.
- Sales or transfers to Idaho beer wholesalers.
- Sales or transfers to out-of-state beer wholesalers
- Sales to the military or the Idaho Liquor Dispensary.

Records you must keep. Keep records of all purchases, sales, and transfers numerically by date.

The total accountable gallons are the taxable gallons entered on line 10.

Tax Computation — Lines 10 through 16b

Line 10. Total taxable gallons. Add lines 7 and 8, then subtract line 9.

Line 11. Tax due or [refund]. Multiply line 10 by \$0.15. Use brackets to indicate a refund.

Line 12. Credit from previous periods. If the Tax Commission issued you a credit notification letter, then enter the credit amount. Include the letter with your return.

Line 13. Penalty and Interest. Use the following instructions if penalty and interest apply. Write the amount on each line and the total.

Penalty. You must file and pay by the due date listed on the tax return. If you file or pay late, the following apply:

- No penalty is due if no tax is due.
- The minimum penalty is \$10.
- The maximum penalty is 25% of the tax due.
- Each month or part of a month is considered a month.
- Penalty begins the first day you're late and continues until you pay the tax.

If you file on time but your payment is late, the penalty is 0.5% of the tax due. Multiply line 13 times 0.5% and the number of months late.

If you file late, the penalty is 5.0% of the tax due. Multiply line 13 times 5.0% and the number of months late.

If you file late and pay late, the penalty is 5.5%. Multiply line 13 times 5.5% and the number of months late.

Interest. Interest accrues on overdue tax from the original due date of the return until you pay the tax.

Rates are as follows:

- 01/01/2022 – 12/31/2022, 3% per year
- 01/01/2021 – 12/31/2021, 2% per year
- 01/01/2020 – 12/31/2020, 4% per year
- 01/01/2019 – 12/31/2019, 5% per year

Line 14a. Total due. Add lines 11, 12, and 13.

Line 14b. Total refund. Add lines 11, 12, and 13.

Payments. We apply payments in this order:

1. Bad check fees
2. Interest
3. Tax
4. Penalty

Pay electronically. You can pay electronically by accessing tax.idaho.gov/epay. Use one of these options:

- ACH Debit
- ACH Credit
- Credit card
- Debit card
- E-check

Note: If you pay electronically and file a paper return, note at the top of the return which option you used.

Payments \$100,000 or more. Idaho law requires you to use ACH Debit or ACH Credit.

Pay by check. Make your check or money order payable to the Idaho State Tax Commission and include it with your return.

Mail paper returns and payments to:

Idaho State Tax Commission
PO Box 76
Boise ID 83707-0076

Contact us:

In the Boise area: (208) 334-7660 | Toll free: (800) 972-7660

Hearing impaired (TDD) (800) 377-3529

tax.idaho.gov/contact