



# Form 1754 — Instructions Distributors, Wholesalers, Wineries, Direct Shippers, and Brewers of Beer Over 5% Alcohol by Volume Tax Return

## What's New

- Line 10b has been added to report wine produced and sold in Idaho. Don't include gallons of wine produced in Idaho sold to out-of-state customers or gallons that are exempt.
- The term "strong beer" will be referred to as beer over 5% alcohol by volume (5% ABV).
- Report the net total of all exemptions for beer over 5% ABV in Column A and wine in Column B.

## General Information

- 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 box if you're:

- Amending a return. See the instructions for amended returns.
- Changing your address. Strike through the old address and write in the new one.
- Cancelling your permit. The permit will be cancelled effective the last day of the reporting period of the return.

### Who must complete the return

Every Idaho distributor, wholesaler, winery, direct shipper, and brewer of beer over 5% ABV must complete all parts of the return.

### Filing requirements

File by the 15th day following the end of the previous month. If the 15th falls on a weekend or legal holiday, the return is due by the next business day. **Round amounts to the nearest whole gallon.**

### Recordkeeping requirements

- You must keep all the records used to complete the return for four years.
- Summarize your records by product type numerically by date.
- Keep all beer and wine 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.

### Amended returns

Submit an amended return using a copy of your 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

Enter beer over 5% ABV amounts in Column A and wine amounts in Column B.

**Line 1. Beginning inventory.** Enter the month's starting inventory. This should equal the ending inventory from the previous month.

**Line 2. Total purchases/production.** Enter total number of gallons purchased and produced for the reporting period.

**Line 3. Beginning inventory plus purchases/production.** Add 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.

**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 and delivered to an Idaho address.

Out-of-state direct shippers aren't in Idaho and ship products to an Idaho address. All sellers not shipping to a permitted Idaho distributor or wholesaler must have a seller's permit and wine permit 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 over 5% ABV or wine tax included in the price.
- Sales or transfers to Idaho beer over 5% ABV wholesalers or wine distributors.
- Sales or transfers to out-of-state beer over 5% ABV wholesalers or wine distributors.
- Sales to the military or the Idaho Liquor Dispensary.

The total accountable gallons are the taxable gallons entered in line 10a.

### Tax Computation — Lines 10a through 16b

**Line 10a. Total taxable gallons.** Add lines 7 and 8, then subtract line 9. Enter the total for beer over 5% ABV in Column A and the total for wine in Column B.

**Line 10b. Report gallons produced and sold in Idaho.** Enter the number of Idaho wine gallons produced and sold in Idaho from Column B, line 10a (Total taxable gallons), after exemptions. If none, enter zero.

**Note:** “Idaho wine” includes all wines and ciders that Idaho wineries and breweries produce.

Distributors – report wine and cider gallons sold in Idaho that are produced by an Idaho winery or brewery.

Idaho wineries and breweries – report all wines and ciders that you sold in Idaho.

Don’t include Idaho wine sold to out-of-state customers or gallons that are exempt.

**Line 11. Beer over 5% tax due or [refund].** Multiply Column A, line 10a by \$0.45. Enter the amount. Use brackets to indicate a refund.

**Line 12. Wine tax due or [refund].** Multiply Column B, line 10a by \$0.45. Enter the amount. Use brackets to indicate a refund.

**Line 13. Subtotal tax due or [refund].** Add lines 11 and 12. Enter the amount. Use brackets to indicate a refund.

**Line 14. 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 15. 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 by 0.5% and the number of months late.

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

**If you file late and pay late,** the penalty is 5.5% of the tax due. Multiply line 13 by 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:

01/01/2023 – 12/31/2023, 5% per year

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

**Line 16a. Total due.** Add lines 13, 14, and 15.

**Line 16b. Total refund.** Add lines 13, 14, and 15.

### 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](https://tax.idaho.gov/epay). Use one of these payment 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 the payment 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](https://tax.idaho.gov/contact)