

**MONTHLY RETURN OF DIRECT SHIPPER'S
OF ALCOHOL**

FOR DEPARTMENT USE ONLY		
____/____/____	____/____/____	____/____/____
TAX	MO	YR

Direct Shipper's Name	Account Number: _____
	Report for the Month of: _____

Part I – Distilled Spirits Tax Calculation

A. Distilled Spirits Excise Tax:

- 1 Direct Shipments of Distilled Spirits to Kentucky Customer (gallons) 1 _____
- 2 Excise Tax Rate of Distilled Spirits 2 _____ **\$1.92/gal**
- 3 Distilled Spirits Excise Tax Owed (Line 1 multiplied by Line 2) 20 3 _____

B. Distilled Spirits Wholesale Sales Tax:

- 4 Wholesale Price of Direct Shipments of Distilled Spirits to Kentucky Customers 4 _____
- 5 Wholesale Sales Tax Rate 5 _____ **.11**
- 6 Distilled Spirits Wholesale Sales Tax (Line 4 multiplied by Line 5) 22 6 _____
- 7 Total Distilled Spirits Tax Calculation (Line 3 plus Line 6) 7 _____

Part II – Wine Tax Calculation

A. Wine Excise Tax:

Total Gallons Produced (see instructions for details)

- 8 Direct Shipments of Wine to Kentucky Customer (gallons) 8 _____
- 9 Excise Tax Rate for Wine 9 _____ **\$0.50/gal**
- 10 Wine Excise Tax Owed (Line 8 multiplied by Line 9) 21 10 _____

B. Wine Wholesale Sales Tax:

- 11 Wholesale Price of Direct Shipments of Wine to Kentucky Customers 11 _____
- 12 Wholesale Price of Wine from Small Farm Winery (include only sales from the first 50,000 gallons produced) 12 _____
- 13 Net Wholesale Price of Wine Subject to Tax (Line 11 minus Line 12) 13 _____
- 14 Wholesale Sales Tax Rate 14 _____ **.10**
- 15 Wine Wholesale Sales Tax (Line 13 multiplied by Line 14) 24 15 _____
- 16 Total Wine Tax Calculation (Line 10 plus Line 15) 16 _____

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____/____/____ TAX MO YR		

Part III – Malt Beverage Tax Calculation

A. Malt Beverage Excise Tax:

17 Direct Shipments of Malt Beverages to Kentucky Customers (gallons) of product produced in Kentucky	17	
18 Domestic Brewers credit rate	18	.50
19 Total Gallons for Reporting of Excise Tax after credit (Line 17 multiplied by Line 18)	19	
20 Direct Shipments of Malt Beverages to Kentucky Customers (gallons) of product not produced in Kentucky	20	
21 Gallons Subject to Excise Tax (Line 19 plus Line 20)	21	
22 Excise Tax Rate for Malt Beverages	22	.080645/gal
23 Excise Tax for Malt Beverages (Line 21 multiplied by Line 22)	18 23	

B. Malt Beverage Wholesale Sales Tax:

24 Wholesale Price of Direct Shipments of Malt Beverages to Kentucky Customers	24	
25 Wholesale Sales Tax Rate	25	.10
26 Malt Beverage Wholesale Sales Tax (Line 24 multiplied by Line 25)	23 26	
27 Total Malt Beverage Tax Calculation (Line 23 plus Line 26)	27	

IMPORTANT NOTICE

Make check(s) payable to: **Kentucky State Treasurer**
Return to: **Excise Tax Section, Kentucky Department of Revenue, Frankfort, Kentucky 40619**

I, the undersigned, a principal officer of the above-named licensee, certify that I have examined this report and it is, to the best of my knowledge and belief, a true, correct and complete report.

Signature	Title	Date
E-Mail	Telephone Number	

Form 73A550—Monthly Return of Direct Shipper's Reporting of Alcohol shall be filed monthly by every licensee who possesses a direct shipper license.

A direct shipper's license authorizes the licensee to sell malt beverages, distilled spirits and wine from Kentucky manufacturers and out-of-state alcohol from a direct shipper registered with the Kentucky Department of Revenue.

A licensed direct shipper shall pay and report the excise tax levied by KRS 243.720 and the wholesale sales tax levied by KRS 243.884.

Please include the following: business name, revenue account number, and corresponding period for which the transactions occurred. Payment of the excise tax and wholesale sales tax is due with the return. Make your check payable to Kentucky State Treasurer. Mail report and payment to Kentucky Department of Revenue, Frankfort, KY 40619.

When to File

Form 73A550 and the tax payment are due on the twentieth (20th) day of the month following the month in which the transactions occurred. **The supporting forms 73A551 and 73A552 are still due quarterly and follow the schedule below:**

Quarter	Due Date
1 st Quarter (Jan – Mar)	April 20 th
2 nd Quarter (Apr – Jun)	July 20 th
3 rd Quarter (Jul – Sep)	October 20 th
4 th Quarter (Oct – Dec)	January 20 th

When filing the 73A551 and 73A552 Quarterly Reports to the Department of Revenue, please forward a copy of the report to:

Department of Alcoholic Beverage Control
ATTN: ABC Quarterly Report
500 Mero Street 2NE33
Frankfort, KY 40601

Definitions

"Consumer" means a person who purchases alcoholic beverages and who: (a) Does not hold a license or permit issued by the department; (b) Purchases the alcoholic beverages for personal consumption only and not for resale; (c) Is of lawful drinking age; (d) Receives the alcoholic beverages at a location other than a licensed premises; and (e) Receives the alcoholic beverages in territory where the alcoholic beverages may be lawfully sold or received.

"Distilled spirits" or **"spirits"** means any product capable of being consumed by a human being which contains alcohol in excess of the amount permitted by KRS Chapter 242 obtained by distilling, mixed with water or other substances in solution, except wine, hard cider, and malt beverages.

"Malt beverage" means any fermented undistilled alcoholic beverage of any name or description, manufactured from malt wholly or in part, or from any substitute for malt, and includes weak cider.

"Wine" means the product of the normal alcoholic fermentation of the juices of fruits, with the usual processes of manufacture and normal additions, and includes champagne and sparkling and fortified wine of an alcoholic content not to exceed twenty-four percent (24%) by volume. It includes sake, cider, hard cider, perry cider and also includes preparations or mixtures vended in retail containers if these preparations or mixtures contain not more than fifteen percent (15%) of alcohol by volume. It does not include weak cider.

"Wholesale Sales Tax" at the rate set out in KRS 243.884. If a wholesale price is not readily available, the direct shipper licensee shall calculate the wholesale cost to be seventy percent (70%) of the retail price of the alcoholic beverages.

"Small Farm Winery Exemption" Sales of the first 50,000 gallons of wine produced each calendar year by a small farm winery are exempt from the wholesale sales tax to qualify for the exemption, small farm wineries must be able to show that the gallons sold in Kentucky are within the annual production threshold.

Instructions for Monthly Return of Direct Shipper's Reporting of Alcohol Form 73A550, page 1:

Lines 1 – 7 Distilled Spirits Tax Calculation:

A. Distilled Spirits Excise Tax:

Line 1: Total gallons of distilled spirits shipped to Kentucky end consumers during the reporting month.

Line 2: Excise Tax Rate of Distilled Spirits \$1.92 per gallon.

Line 3: Excise Tax owed (Line 1 multiplied by Line 2).

B. Distilled Spirits Wholesale Sales Tax:

Line 4: Product wholesale price multiplied by the total number of gallons sold to Kentucky end customers.

Line 5: Wholesale Sales Tax rate of 11%.

Line 6: Wholesale Sales Tax owed (Line 4 multiplied by Line 5).

Line 7: Total Distilled Spirits Tax calculation due (Line 3 plus Line 6).

Lines 8 – 16 WINE TAX Calculation:

A. Wine Excise Tax:

Total Gallons Produced—Total gallons produced from the beginning of the calendar year to the end of the current month.

Line 8: Total gallons of wine shipped to Kentucky end consumer during the reporting month.

Line 9: Excise Tax Rate of Wine \$0.50 per gallon.

Line 10: Excise Tax owed (Line 8 multiplied by Line 9).

B. Wine Wholesale Sales Tax:

Line 11: Product wholesale price multiplied by the total number of gallons sold to Kentucky end customers.

Line 12: Total wholesale price of wine sold from a SMALL FARM WINERY's first 50,000 gallons of production during the calendar year.

Line 13: Net wholesale price (Line 11 minus Line 12).

Line 14: Wholesale Sales Tax rate of 10%.

Line 15: Wholesale Sales Tax owed (Line 13 multiplied by Line 14).

Line 16: Total Wine Tax calculation due (Line 10 plus Line 15).

Lines 17 – 27 MALT BEVERAGE TAX Calculation:

C. Malt Beverage Excise Tax:

Line 17: Total gallons of malt beverages sold and shipped to Kentucky end consumer during the reporting month that was PRODUCED in the state of Kentucky.

Line 18: Domestic Brewers credit rate (50%) of Kentucky produced malt beverages.

Line 19: Total gallons for reporting of excise tax after credit of Kentucky produced Malt Beverages (Line 17 multiplied by Line 18).

Line 20: Total gallons of malt beverages sold and shipped to Kentucky end consumer during the reporting month that was NOT PRODUCED in the state of Kentucky.

Line 21: Total gallons subject to Excise Tax (Line 19 plus Line 20).

Line 22: Excise Tax Rate for Malt Beverages (.080645/gal).

Line 23: Total excise tax due for malt beverages (Line 21 multiplied by Line 22).

D. Malt Beverage Wholesale Sales Tax:

Line 24: Product wholesale price multiplied by the total number of gallons sold to Kentucky end customers.

Line 25: Wholesale Sales Tax Rate of 10%.

Line 26: Malt Beverage Wholesale Sales Tax due (Line 24 multiplied by Line 25).

Line 27: Total Malt Beverage Tax Calculation (Line 23 plus Line 26).

Record Retention

Each licensee under KRS 243.020 to 243.670 shall keep and maintain upon the licensed premises, or make readily available upon request of the Department of Revenue, adequate books and records of all transactions involved in the manufacture or sale of alcoholic beverages, in the manner required by regulations of the Department of Revenue.

All records of trafficking in alcoholic beverages must be maintained on the immediate premises of the licensee for a period of at least four (4) years.

Additional Information

Additional information is available on the Department website at revenue.ky.gov.

If you need assistance, you may call (502) 564-6823, Option 3.