



# Liquor Tax Reporting Changes

## Informational Bulletin

July 2003

**Brian A. Hamer**  
Director of Revenue

### For information or forms...

- ◆ Call us at:  
1 800 732-8866 or  
217 782-3336
- ◆ Call our TDD  
(telecommunications device  
for the deaf) at:  
1 800 544-5304
- ◆ Write us at:  
Illinois Department of Revenue  
P.O. Box 19044  
Springfield, IL 62794-9044
- ◆ Visit our Web site at:  
[www.ILtax.com](http://www.ILtax.com)
- ◆ Call  
"Illinois Tax Fax," our  
fax-on-demand service, at:  
217 785-3400
- ◆ Call  
our 24-hour  
Forms Order Line at:  
1 800 356-6302

### To:

**All liquor manufacturers, importing distributors, and airlines**

This bulletin addresses

- ◆ new liquor reporting requirements for liquor manufacturers, importing distributors, and airlines;
- ◆ a larger discount available to liquor manufacturers, importing distributors, and airlines who participate in our electronic filing and payment programs; and
- ◆ the new "cost of collection" fee.

### New reporting requirements for liquor manufacturers, importing distributors, and airlines

Beginning **October 1, 2003**, if you are required to pay liquor taxes under the Liquor Control Act of 1934, you must report the following information for **each** retailer to whom you sold or distributed alcoholic liquor the previous month:

- ◆ The retailer's name
- ◆ The retailer's address
- ◆ The retailer's Illinois business tax (IBT) number
- ◆ The retailer's previous month's purchases (*i.e.*, your selling price, minus any discounts)

**Note:** "Retailer" does **not** include other liquor manufacturers, importing distributors, and airlines to whom you make sales of alcoholic liquor.

### Must I give the retailer a statement of purchases for the previous month?

Yes. You must give the retailer this information on or before the 10th day of the month after the month the alcoholic liquor was sold or distributed. For example, you must give the retailer a statement for October's total purchases on or before November 10th. You may provide a summary for the month on the bottom of each invoice for the specific retailer or on a separate report.

### What form must I file?

You must file Form RL-26-R, Report of Liquor Sales to Retailers. You **must** file Form RL-26-R electronically, even if you do not currently file your Form RL-26, Liquor Revenue Return, electronically.

**Note:** We encourage you to voluntarily file your Form RL-26 or Form RL-26-A using our electronic filing program. You qualify for a discount if you file your return electronically and pay your taxes by electronic funds transfer (EFT) on or before the due date. You also will receive an additional five days to file your Form RL-26-R.

### What electronic filing options are available?

Two options are available.

- ◆ **Option 1** — If you are currently enrolled in our liquor tax electronic filing program, you may electronically file Form RL-26-R along with your monthly Form RL-26 or Form RL-26-A. You may develop your own software or purchase the

software from a vendor. The formats for Form RL-26-R are available on our web site.

- ◆ **Option 2** — If you are not currently enrolled in our liquor tax electronic filing program, and choose not to file your RL-26 or RL-26-A return electronically, you may use our on-line system to file Form RL-26-R. You must complete Form EF-1, Enrollment for Electronic Filing Program, and choose a personal identification number (PIN) before you can electronically file Form RL-26-R using this method.

#### When is Form RL-26-R due?

- ◆ If you are an electronic filing program participant who files Form RL-26 or Form RL-26-A electronically, Form RL-26-R is due the same date as your return. Your first Form RL-26-R is due November 15th.
- ◆ If you do not file Form RL-26, electronically, you must access our web site and file Form RL-26-R on or before the 10th day of the month after the month the alcoholic liquor was sold or distributed. Your first Form RL-26-R is due November 10th.

#### How will I know that my Form RL-26-R is received?

We will electronically provide a confirmation number after you successfully file Form RL-26-R. Keep this number in your records.

**Note:** You must provide all requested information (e.g., retailer's IBT number) to successfully file Form RL-26-R.

#### Increased discount for liquor tax electronic filing program participants

Beginning October 1, 2003, you may receive a larger discount when you

- ◆ file Form RL-26, Liquor Revenue Tax Return, or Form RL-26-A, Liquor Airline Tax Return, electronically; and
- ◆ make your tax payments by electronic funds transfer (EFT) and file your return by the due date.

#### Am I required to file returns electronically?

No. You are not required to file Form RL-26 or Form RL-26-A electronically. However, you may want to take advantage of the discount that is only available to taxpayers who electronically file their returns and electronically pay their taxes before the due date.

#### What is the discount for electronically filing and paying?

The discount for electronic filing and payment is a percentage of tax due, up to a monthly maximum amount, as shown below.

- ◆ **January 2003 through September 2003 due dates** — 1.75 percent (0.0175) discount percentage *or* \$1,250 discount cap
- ◆ **October 2003 through September 2004 due dates** — 2 percent (0.02) discount percentage *or* \$3,000 discount cap

- ◆ **October 2004 due dates (and thereafter)** — 2 percent (0.02) discount percentage *or* \$2,000 discount cap

#### Where may I get more information on electronic filing?

Electronic filing guides, all formats, and authorization requirements are available on our web site.

#### New "Cost of Collection" fee

For returns due on or after July 1, 2003, you may be assessed a cost of collection fee if you do not pay the amount you owe within 30 days of the date printed on an assessment.

If the unpaid amount is less than \$1,000, your fee is \$30. If the unpaid amount is \$1,000 or more, your fee is \$100.