

CHAPTER 297C

LIQUOR TAXATION

297C.03 Payment of tax; wine and distilled spirits.
297C.045 Sales to Indian tribes.

297C.06 Refunds.
297C.09 Importation by individuals.
297C.14 Penalties.

297C.03 PAYMENT OF TAX; WINE AND DISTILLED SPIRITS.

Subdivision 1. **Manner and time of payment; penalties; deposit of tax proceeds.** The tax on wines and distilled spirits on which the excise tax has not been previously paid must be paid to the commissioner by persons liable for the tax on or before the 18th day of the month following the month in which the first sale is made in this state by a licensed manufacturer or wholesaler. Every person liable for the tax on wines or distilled spirits imposed by section 297C.02 must file with the commissioner on or before the 18th day of the month following first sale in this state by a licensed manufacturer or wholesaler a return in the form prescribed by the commissioner, and must keep records and render reports required by the commissioner. The commissioner may certify to the commissioner of public safety any failure to pay taxes when due as a violation of a statute relating to the sale of intoxicating liquor for possible revocation or suspension of license.

[For text of subds 4 to 6, see M.S.1988]

History: 1989 c 277 art 3 s 15

NOTE: Subdivisions 4 and 4a are repealed by Laws 1989, chapter 277, article 3, section 17, effective July 1, 1990, for provisions applying to stamps and tax meter machines. See Laws 1989, chapter 277, article 3, section 18.

297C.045 SALES TO INDIAN TRIBES.

Subdivision 1. **Wholesalers.** A wholesaler may set aside the part of the wholesaler's stock necessary to make sales to the established governing body of an Indian tribe recognized by the United States Department of the Interior, without paying the tax required by this chapter. When shipping or delivering untaxed stock to an Indian tribal organization, the wholesaler shall make a true duplicate invoice. The invoice must show the complete details of the sale or delivery. The wholesaler must send the duplicate to the commissioner not later than the 18th day of the following calendar month. If a wholesaler fails to comply with the requirements of this section, the commissioner shall revoke the permission granted to the wholesaler to keep a stock of untaxed goods.

Subd. 2. **Retailers.** Retailers who are Indian tribal organizations may keep untaxed stock intended for sale to qualified purchasers.

Subd. 3. **Qualified purchasers.** A qualified purchaser of untaxed liquor means only an enrolled member of the Indian tribe that is offering the liquor for sale.

Subd. 4. **Sales to nonqualified buyers.** A retailer who sells or otherwise disposes of untaxed liquor other than to a qualified purchaser shall collect from the buyer or transferee the tax imposed by this chapter and remit the tax to the department of revenue at the same time and manner as required by this chapter. If the retailer fails to collect the tax from the buyer or transferee, or fails to remit the tax, the retailer is personally responsible for the tax and the commissioner may seize any liquor destined to be delivered to the retailer. The procedures outlined in section 297C.12 apply to the seized liquor. The proceeds of the sale of the liquor may be applied to any tax liability owed by the retailer after deducting all costs and expenses.

This section does not relieve the buyer or possessor of untaxed liquor from personal liability for the tax.

History: 1989 c 277 art 1 s 24

297C.06 REFUNDS.

[For text of subd 1, see M.S.1988]

Subd. 2. **Bad debts.** The commissioner may adopt rules providing a refund of the tax paid under this chapter on intoxicating liquor or wine if the tax paid qualifies as a bad debt under section 166(a) of the Internal Revenue Code of 1986, as amended through December 31, 1988.

[For text of subds 3 and 4, see M.S.1988]

Subd. 5. **Claims; time limit.** Claims for refund must be filed with the commissioner (1) for refunds under subdivision 1 within one year from the date of the breakage or the destruction order; and (2) for refunds under subdivision 2, within one year of the filing date of the taxpayer's federal income tax return containing the bad debt deduction that is being claimed. Claimants under this section are subject to the notice requirements of section 290.56, subdivision 2.

[For text of subd 6, see M.S.1988]

History: 1989 c 110 s 1,2

297C.09 IMPORTATION BY INDIVIDUALS.

A person, other than a person under the age of 21 years, entering Minnesota from another state may have in possession one liter of intoxicating liquor or 288 ounces of malt liquor and a person entering Minnesota from a foreign country may have in possession four liters of intoxicating liquor or ten quarts (320 ounces) of malt liquor without the required payment of the Minnesota excise tax. A collector of commemorative bottles, other than a person under the age of 21 years, entering Minnesota from another state may have in possession 12 or fewer commemorative bottles without the required payment of the Minnesota excise tax. A person who imports or has in possession untaxed intoxicating liquor or malt liquor in excess of the quantities provided for in this section is guilty of a misdemeanor. This section does not apply to the consignments of alcoholic beverages shipped into this state by holders of Minnesota import licenses or Minnesota manufacturers and wholesalers when licensed by the commissioner of public safety or to common carriers with licenses to sell intoxicating liquor in more than one state. A peace officer, the commissioner, or their authorized agents, may seize untaxed liquor.

History: 1989 c 277 art 3 s 16

297C.14 PENALTIES.

Subdivision 1. **Penalty on unpaid tax.** If a tax imposed by this chapter, or any part of it, is not paid within the time required for the payment, or an extension of time, or within 30 days after final determination of an appeal to the tax court relating to it, there shall be added to the tax a penalty equal to three percent of the amount remaining unpaid if the failure is for not more than 30 days, with an additional penalty of three percent of the amount of tax unpaid during each additional 30 days or fraction thereof, not exceeding 24 percent in the aggregate.

[For text of subds 2 to 8, see M.S.1988]

History: 1989 c 324 s 28