

CHAPTER 297C

LIQUOR TAXATION

297C.02 Tax imposed.
297C.07 Exceptions.

297C.14 Penalties.

297C.02 TAX IMPOSED.

[For text of subd 1, see M.S.1994]

Subd. 2. **Fermented malt beverages.** There is imposed on all fermented malt beverages that are imported, directly or indirectly sold, or possessed in this state the following excise tax:

- (1) on fermented malt beverages containing not more than 3.2 percent alcohol by weight, \$2.40 per barrel of 31 gallons;
- (2) on fermented malt beverages containing more than 3.2 percent alcohol by weight, \$4.60 per barrel of 31 gallons.

The tax is at a proportional rate for fractions of a barrel of 31 gallons.

[For text of subds 3 and 4, see M.S.1994]

History: 1995 c 264 art 12 s 3

297C.07 EXCEPTIONS.

The following are not subject to the excise tax:

- (1) Sales by a manufacturer, brewer, or wholesaler for shipment outside the state in interstate commerce.
- (2) Sales of wine for sacramental purposes under section 340A.316.
- (3) Fruit juices naturally fermented or beer naturally brewed in the home for family use.
- (4) Malt beverages served by a brewery for on-premise consumption at no charge, or distributed to brewery employees for on-premise consumption under a labor contract.
- (5) Alcoholic beverages sold to authorized manufacturers of food products or pharmaceutical firms. The alcoholic beverage must be used exclusively in the manufacture of food products or medicines. For purposes of this part, "manufacturer" means a manufacturer of food products intended for sale to wholesalers or retailers for ultimate sale to the consumer.
- (6) Sales to common carriers engaged in interstate transportation of passengers and qualified approved military clubs, except as provided in section 297C.17.
- (7) Alcoholic beverages sold or transferred between Minnesota wholesalers.
- (8) Sales to a federal agency, that the state of Minnesota is prohibited from taxing under the Constitution or laws of the United States or under the Constitution of Minnesota.
- (9) Shipments of wine to Minnesota residents under section 340A.417.
- (10) One liter of intoxicating liquor or 288 ounces of malt liquor per calendar month imported or possessed by a person entering Minnesota from another state, provided the alcoholic beverages accompany the person into this state and will not be offered for sale or used for any commercial purpose.
- (11) Four liters of intoxicating liquor or ten quarts (320 ounces) of malt liquor per calendar month imported or possessed by a person entering Minnesota from a foreign country, provided the alcoholic beverages accompany the person into this state and will not be offered for sale or used for any commercial purpose.
- (12) The alcoholic beverage contained in 12 or fewer commemorative bottles per calendar month imported into this state.

History: 1995 c 264 art 12 s 4

297C.14 PENALTIES.

[For text of subd 1, see M.S.1994]

Subd. 2. Penalty for failure to file. If a person fails to make and file a return within the time required by this chapter or an extension of time, there shall be added to the tax five percent of the amount of tax not paid on or before the date prescribed for payment of the tax. The amount so added to any tax under subdivisions 1 and 2 shall be collected at the same time and in the same manner and as a part of the tax and shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid, unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.

[For text of subds 3 to 9, see M.S.1994]

History: 1995 c 264 art 13 s 18