297G.12 REFUNDS.

Subdivision 1. **Overpayment of tax.** An overpayment of the tax imposed under this chapter may be refunded to the taxpayer, provided that the claim for refund is filed within the time prescribed under section 297G.16.

Subd. 2. **Products destroyed.** The commissioner may refund to a taxpayer the amount of tax paid under this chapter on intoxicating liquor or fermented malt beverages which become unfit for human consumption and are destroyed under an order by a federal, state, or local agency while being held for sale by a licensed retailer. The destruction must meet the requirements of the environmental laws of this state.

Subd. 3. **Wholesaler refund for breakage of inventory.** The commissioner may refund to a wholesaler the amount of tax paid under this chapter for the breakage of inventory not subject to reimbursement from any insurance proceeds. The commissioner may prescribe the method of proof for obtaining the refund.

Subd. 4. **Retailer refund for breakage of inventory.** Refunds for breakage of inventory may be made to retailers only if satisfactory proof is presented to the commissioner by the wholesaler and the licensed retailer that the retailer was not indemnified by insurance for the tax. The commissioner may prescribe the method of proof required for obtaining the refund.

Subd. 5. **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.

Subd. 6. **Credit against tax.** The commissioner may credit the amount determined under this section against taxes otherwise payable under this chapter by the taxpayer.

Subd. 7. **Source of refund.** There is appropriated annually from the general fund to the commissioner the sums necessary to make the refunds provided by this section.

History: *1997 c 179 art 1 s 12*