

End of Year Reporting

Tips and Tricks

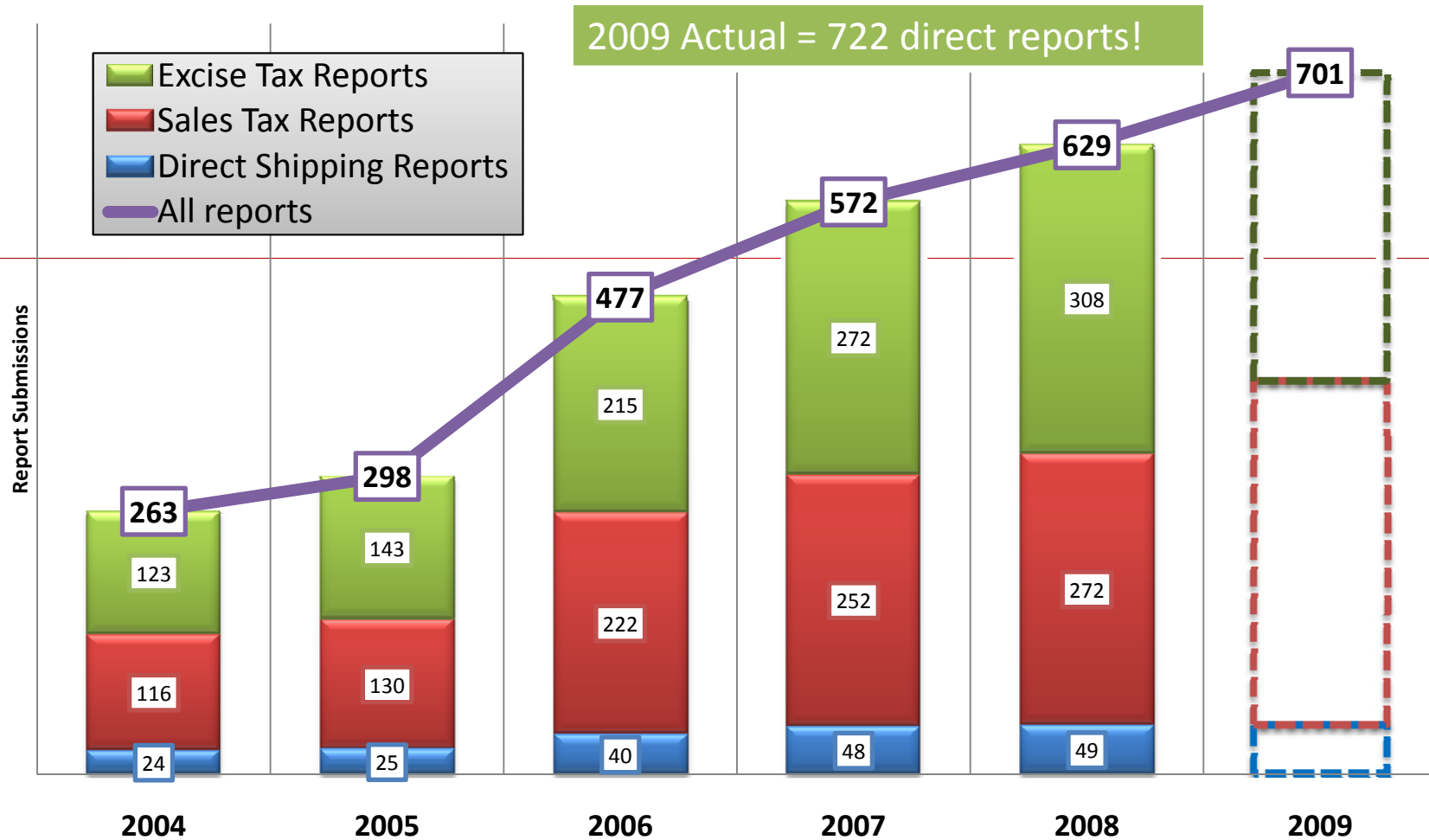


Jeff Carroll, VP Compliance, ShipCompliant

SIX88 SOLUTIONS.

Growth of Reporting Burden

Growth in Annual Report Submissions



End of Year Reporting Statistics

- There are 69 reports due in January, compared with the monthly average of 45; almost a 53% increase!
- This year there are 18 annual reports due for the 2009 year; 2 more than last year
- New states opening up this year require up to 34 additional report submissions in 2010
- Total number of reports submissions in 2009: 722
 - With currently available states, the total number of report submissions in 2010 will be 741

New Reports in 2009

■ Maine

- Sales and Use Tax Return - Short Form
 - Monthly, Quarterly, Semi-Annual or Annual
 - Almost all of the wineries licensed in Maine will be filing the sales tax return for the first time this January (due January 15th).
- Combined Table Sparkling and Fortified Wine Tax Report and Schedule
 - This is an annual report that is due January 10th

■ Tennessee

- ALC 102 Wholesale Alcoholic Beverage Return for Direct Shippers of Wine
 - Originally due monthly, but Tennessee has requested an annual file date 15th of January
 - Wet areas only!
- SLS 450 State and Local Sales and Use Tax Return
 - Monthly, Quarterly or Annually, due within 20 days

New Reports in 2009, cont.

- Kansas
 - ABC-1040 Special Order Shipping Annual Gallonage Tax Return and Sales Report
 - Due annually, within 15 days
 - LE-3 Liquor Enforcement Tax Return
 - If you are licensed in Kansas, you have likely already submitted the monthly Enforcement tax return.
- New York excise tax
 - A new policy (in effect on July, 2009) allows approved wineries to file the MT-40 annually instead of monthly

States with Local Sales Tax Rate Changes, 2009

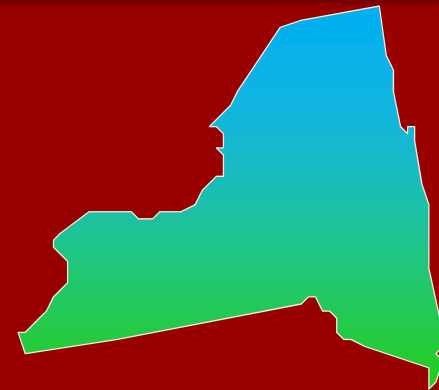
- California
 - 27 local rate changes, including Los Angeles, Sonoma and Marin counties
 - In addition to regular local rate changes, California's state tax rate increased by 1% in April
- Other states:
 - Ohio
 - Washington
 - Georgia
 - South Carolina
 - Texas
 - Arizona (program and non-program cities)
 - ... Vermont, Nebraska, North Dakota
- New York
 - Annual report not due until March, 2010 (fiscal year is March – February)

Direct to Consumer Reporting Tips

Label IDs & New York



New York state requires that all wine products shipped have COLA #s (TTB IDs) associated with them



Position	Field Name	Data Type	Description
Field 1	LICENSE NUMBER	Integer (7 digits)	NYS Winery License Number or Out-of-State Direct Shipper's License
Field 2	INVOICE NUMBER	Character (100)	Invoice Number
Field 3	PURCHASE DATE	Short Date (MM/DD/YYYY)	Date of Invoice
Field 4	WINE NAME	Character (100)	Name of the Wine Purchased
Field 5	TTB ID	Character (14)	TTB ID Number of the Wine
Field 6	QUANTITY	Long Integer	Quantity (in liters)
Field 7	VALUE	Decimal (6, 2)	Price Paid by Purchaser
Field 8	PURCHASER NAME	Character (100)	Name of Purchaser
Field 9	PURCHASER ADDRESS	Character (100)	Full Mailing Address of Purchaser

Carrier Information



- Missouri's Form 12 and Form 40 Direct Shipper Annual Report and Tax Computation requires that all orders shipped into the state reflect a tracking number

STATE OF MISSOURI
DEPARTMENT OF PUBLIC SAFETY
DIVISION OF ALCOHOL AND TOBACCO CONTROL
SALES TO MISSOURI RESIDENTS BY WINE DIRECT SHIPPER

NO LICENSE NUMBER: _____ CALENDAR YEAR ENDING: 2008

All wine direct shipper licensees must report all sales made to Missouri Residents on this form. The original of this report must be postmarked to the office of the Division of Alcohol and Tobacco Control, Jefferson City, Missouri, not later than January 31st annually. Duplicate copy to be retained for your files.

DIRECT WINE SHIPPER (AS LICENSED WITH MISSOURI)
Sunshine Wines

STREET ADDRESS
3100 Arapahoe Ave., Suite 500

CITY, STATE, ZIP CODE
Boulder, CO 80303

SALES TO MISSOURI RESIDENTS							
SOLD TO (NAME AND ADDRESS)	SHIPPED TO (NAME AND ADDRESS)	DATE OF SHIPMENT	INVOICE NUMBER	NO. OF GALLONS	SHIPPER NAME	SHIPPER'S MISSOURI LICENSE NUMBER	TRACKING IDENTIFICATION NUMBER



- Virginia requires the common carrier to be specified for all orders shipped to recipients within the state (the "Common Carrier Number" on the Virginia Direct Shipper's Report)

PART 2 (Schedule A) Wine

DIRECT SHIPPER'S REPORT

Report for the month of November

ABC Shipper's License No. 012345

Invoice		Virginia Resident Shipped To		Product	Wine or Cider			Brand Name	Total Price	Common Carrier Number
Date Shipped	No.	Name	Street and No. City, State & Zip Code	Type W / C	No. of Bottles	Size in Liters	Total Liters			
11/20/2008	NoveOrde937	Emerj Goldstein	5904 Ashby Manor Pl Alexandria, VA 22310-2267	W	12.00	0.75	9.00	PommeDeTerre	254.67	1000

North Dakota, New York, Washington, Wisconsin, Ohio and others may require some form of electronic filing for certain reports and filing frequencies.

- More and more states will offer this as a convenient, green option

Tip: If planning to file electronically, check state websites well ahead of time to become familiar with:

1. Online account setup with the state
2. Payment requirements: (EFT, Direct Deposit, Payment Voucher, etc.)
3. Data entry formats: Will you simply transpose a shipment history, import a specific file type or key-in individual shipments?

Date of Birth (DOB)



- Wisconsin
 - Purchaser
 - Recipient

WISCONSIN WINERY AND DIRECT SHIPPER SCHEDULE AB-130

Legal Name: **Report Tester** Wis. Permit Number: **WDS123**

Type of schedule (check one):
 1. Untaxed Purchases 3. Untaxed Credits 5. Untaxed Sales
 2. Tax-Paid Purchases 4. Tax-Paid Credits 6. Tax-Paid Sales

Attach all schedules to your monthly or quarterly return (form AB-130) in numerical order.

Name	Address	Birthdate	Invoice		Total Invoice Price	Wis. Line 14% Tax
			No.	Date		
Line 1: Sold to Line 2: Shipped to						
Don Mays	1720 Barbara Dr. Fitchburg, WI 53711	11/25/77				
Neil & Amy Kathryn Bensen	100 W. Wisconsin St. Madison, WI 53703	11/25/77		09/08/09	\$266.93	
J. David Barhoff	100 W. Wisconsin St. Madison, WI 53703	11/26/77				
Doreen Nason	100 W. Wisconsin St. Madison, WI 53703	11/26/77		09/08/09	\$36.78	
John Jones	111 Arbor Ln. Cross Bay, WI 54901	11/27/77				
Roger Pugh	1720 Barbara Dr. Fitchburg, WI 53711-1201	11/27/77		09/08/09	\$776.27	
Don C. Jones	100 W. Wisconsin St. Madison, WI 53703	11/28/77				
Samuel Mays	111 Arbor Ln. Cross Bay, WI 54901, 0640	11/28/77		09/08/09	\$55.00	
Steve Clark	100 W. Wisconsin St. Madison, WI 53703	11/28/77				
Steve Barhoff	100 W. Wisconsin St. Madison, WI 53703	11/28/77		09/08/09	\$43.20	
Doreen Nason	100 W. Wisconsin St. Madison, WI 53703	12/01/77				
Don C. Jones	100 W. Wisconsin St. Madison, WI 53703	12/01/77				

- Michigan
 - *"The person receiving and accepting the order on behalf of the direct shipper shall record the name, address, date of birth, and telephone number of the person placing the order..."*

Bring It All Together



REPORTING RECAP

1. Orders

- Void or change any orders that were canceled or modified during the reporting period
- Include any orders that have been paid but not yet shipped as required

2. Additional Info

- Include TTB IDs, tracking numbers, carrier information, DOBs, etc.

3. Filing

- Become familiar with new requirements (eFile) in advance

4. Submission

- File complete reports on-time, the first time

Q&A

Direct to Consumer Reporting Tips