



# Alcohol Beverage Tax Information

## TABLE OF CONTENTS

	Page
<b>1. INTRODUCTION .....</b>	<b>3</b>
<b>2. DEFINITIONS.....</b>	<b>3</b>
<b>3. IMPOSITION OF THE BEVERAGE TAXES .....</b>	<b>3</b>
A. Liquor Taxes .....	3
B. Beer Tax .....	4
C. Exceptions to the Beverage Tax.....	4
<b>4. TAX RATES.....</b>	<b>5</b>
A. Intoxicating Liquor .....	5
B. Wine – Including Cider That Contains <i>More Than 7%</i> Alcohol By Volume .....	5
C. Cider.....	5
D. Beer.....	5
E. Inventory (Floor) Taxes .....	5
<b>5. OBTAINING AN ALCOHOL BEVERAGE PERMIT .....</b>	<b>5</b>
A. General.....	5
B. Municipal Retail License May Be Required.....	6
C. Additional Permit Information.....	6
<b>6. FILING TAX RETURNS.....</b>	<b>7</b>
A. Who Must File Tax Returns.....	7
B. Due Date of Returns.....	7
C. What Return to File.....	7
D. How to File Returns.....	8
E. Electronic Funds Transfer .....	8
F. Late-Filed Returns.....	9
G. Revocation of Permits.....	9
<b>7. HOW TO AMEND A PRIOR RETURN.....</b>	<b>9</b>
<b>8. CLAIMING A REFUND .....</b>	<b>9</b>
<b>9. RECORDKEEPING.....</b>	<b>9</b>
<b>10. INTEREST, FEES, AND PENALTIES .....</b>	<b>10</b>
<b>11. BEER PRODUCTION AND LIQUOR STATISTIC REPORTS .....</b>	<b>10</b>
<b>12. BEVERAGE TAX EVASION.....</b>	<b>11</b>
<b>13. INDIVIDUALS BRINGING INTOXICATING LIQUOR INTO WISCONSIN.....</b>	<b>11</b>
<b>14. ASSISTANCE.....</b>	<b>11</b>
<b>APPENDIX A.....</b>	<b>12</b>
<b>APPENDIX B.....</b>	<b>13</b>

### Applicable Laws and Rules

This document provides statements or interpretations of Wisconsin and federal laws and regulations enacted as of December 23, 2024.

Laws enacted and in effect after this date, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to this date, that is contrary to the information in this document is superseded by this document, according to sec. 73.16(2)(a), Wis. Stats.

## 1. INTRODUCTION

This publication provides information concerning Wisconsin's alcohol beverage tax laws. It explains who needs an alcohol beverage permit, when returns are due, interest and penalties imposed on returns filed late or incorrectly, what records to keep, and other related topics.

## 2. DEFINITIONS

**Alcohol Beverages** – A statutory term which includes beer, wine, and liquor.

**(Beer)** – A fermented malt beverage under chapter 125, Wis. Stats.

**CBP** – U.S. Customs and Border Protection.

**Cider** – An alcohol beverage obtained by fermentation of the juice of apples or pears that contains 0.5 to 7.0 percent alcohol by volume. "Cider" may be flavored, sparkling, and/or carbonated.

**Department** – Wisconsin Department of Revenue.

**Division of Alcohol Beverages** – A division within the department that regulates alcohol beverages. Alcohol beverage tax is administered by the Division of Income, Sales, and Excise Tax within the department.

**Intoxicating Liquors (or Liquor)** – Alcohol beverages, except beer, containing 0.5% or more alcohol by volume, including wine.

**Permittee** – A person who holds a beverage tax permit issued by the Division of Alcohol Beverages.

**Wine** – Products obtained from the normal alcohol fermentation of the juice or must of sound, ripe grapes, other fruits or other agricultural products, imitation wine, compounds sold as wine, vermouth, cider, perry, mead and sake, if such products contain not less than 0.5% nor more than 21% of alcohol by volume. For example, wine may be sold under the name of wine, perry, mead, vermouth, or sake. Wine includes cider containing more than 7% alcohol by volume.

## 3. IMPOSITION OF THE BEVERAGE TAXES

### A. Liquor Taxes

Liquor taxes are paid by the following permittees (see sec. 139.06(1)(b), Wis. Stats., unless noted otherwise:

- (1) A Wisconsin liquor wholesaler who imports liquor from a foreign country under CBP bond.
- (2) An out-of-state shipper who ships liquor into Wisconsin from other states.
- (3) A Wisconsin manufacturer, rectifier, or winery who produces or bottles liquor in Wisconsin.

(4) A wine direct shipper who ships wine to individuals in Wisconsin (see sec. 139.035, Wis. Stats.).

Tax payments must be submitted with your monthly liquor tax returns [Form AB-130](#), *Wisconsin Distilled Spirits, Cider, and Wine Tax Return*; also see Part 6 of this publication. A wine direct shipper's tax payments must be submitted with their quarterly liquor tax return.

## B. Beer Tax

Beer tax is paid by the following beer permittees (see sec. 139.05, Wis. Stats.):

- (1) Wisconsin breweries or brewpubs on all sales made in Wisconsin.
- (2) An out-of-state shipper who ships beer into Wisconsin from other states.
- (3) A Wisconsin wholesaler who imports beer into Wisconsin from a foreign country under a CBP bond.

Tax payments must be submitted with monthly beer tax returns [Form BT-100](#), *Wisconsin Brewery Fermented Malt Beverage Tax Return*, for breweries and brewpubs, and [Form BT-104](#), *Wisconsin Fermented Malt Beverage Tax Return*, for out-of-state shippers and Wisconsin importers. Returns are due on or before the 15th day of the month following the month in which such beer is first sold or shipped into this state.

## C. Exceptions to the Beverage Tax

Wisconsin beverage taxes are not imposed upon the following:

- Alcohol beverages shipped to other states or foreign countries.
- Alcohol beverages sold to hospitals for medicinal purposes.
- Alcohol beverages sold to industrial permittees for use in food items.
- Wine sold or used for sacramental purposes.
- Beer furnished by a brewer to employees without charge for consumption on brewery premises.
- Beer, wine, or cider produced for personal consumption and not offered for sale under the conditions listed:
  - The person who makes the alcohol beverages receives no compensation.
  - The alcohol beverages are not sold or offered for sale.
  - The total quantity of wine or cider made, in a calendar year, by the person and any other person living in the same household does not exceed 100 gallons if the household has one person of legal drinking age, or 200 gallons if the household has two or more persons of legal drinking age.
  - The total quantity of beer made, in a calendar year, by the person and any other person living in the same household does not exceed 100 gallons if the household has one person of legal drinking age, or 200 gallons if the household has two or more persons of legal drinking age.
  - The alcohol beverages are consumed by the person who made it or by the person's family, neighbors, and friends at any private residence or other private location.
  - The alcohol beverages are produced at a business selling supplies and equipment for use by homebrewers or home winemakers.
  - The alcohol beverages are made for educational purposes.

## 4. TAX RATES

### A. Intoxicating Liquor

- 85.86¢ per liter, plus.
- 2.906¢ per liter administrative fee.

### B. Wine – Including Cider That Contains *More Than 7% Alcohol By Volume*

- Wine 14% or less of alcohol by volume, 6.605¢ per liter.
- Wine *more than 14% but not more than 21%* of alcohol by volume, 11.89¢ per liter.

### C. Cider

- 7% or *less* of alcohol by volume is 1.71¢ per liter.
- *More than 7% but not more than 14%* of alcohol by volume is taxed at \$6.605¢ per liter.
- *More than 14% but not more than 21%* of alcohol by volume, 11.89¢ per liter.

### D. Beer

- \$2.00 per 31 gallon barrel or approximately 0.006¢ on 12 ounces of beer.
- *Eligible producer tax credit* – A brewer who produces less than 300,000 barrels of beer per year is eligible for a tax credit of \$1.00 per barrel on the first 50,000 barrels subject to Wisconsin beer tax. When determining a brewer's total production, include all brands and labels of all production facilities, regardless where they are located.

### E. Inventory (Floor) Taxes

- *Liquor Taxes* – A floor tax is imposed upon every manufacturer, rectifier, wholesaler, and retailer in possession of any intoxicating liquor held for resale on which the liquor tax has already been paid when a liquor tax rate change becomes effective. The floor tax is the difference between the amount of liquor tax previously paid and the new liquor tax rate.
- *Beer Tax* – Currently there is no statutory authority to impose a floor tax on beer if the tax rate were to increase.

## 5. OBTAINING AN ALCOHOL BEVERAGE PERMIT

### A. General

The Division of Alcohol Beverages issues alcohol beverage permits to producers, importers, wholesalers, salespersons, fulfillment houses, warehouses, and common carriers. Alcohol beverage permits are described in [Fact Sheet 3102](#), and applications are available online at [revenue.wi.gov](http://revenue.wi.gov) on the [Alcohol Beverage Permit Applications](#) web page.

**Note:** Most alcohol beverage permits also require payment of a Business Tax Registration (BTR) fee if a business does not already hold a BTR Certificate. The BTR fee is \$20 and must be renewed every two years for \$10. The BTR fee may be submitted with your alcohol beverage permit application.

The Division of Alcohol Beverages also issues alcohol beverage permits to certain retailers such as wine direct shippers, certain vessels, sports clubs, airports, and public facilities. However, most retailers must obtain a retail

license from the municipality in which the retail sales occur. See below for more information about municipal retail licenses.

## B. Municipal Retail License May Be Required

Most persons making retail sales of alcohol beverages or allowing consumption of alcohol beverages in a public place are required to obtain a retail license from the municipality in which the retail sale or consumption occurs. See [Fact Sheet 3101](#), *Licenses for Retail Sale of Alcohol Beverages*, for more information.

You should contact the clerk's office of the municipality (town, village, or city) in which you intend to do business to determine any additional local requirements.

**Caution:** A municipal retail license does not replace a permit required by the Division of Alcohol Beverages. Nor does a municipal retail license allow you to engage in a wholesale activity or purchase untaxed product.

## C. Additional Permit Information

- *Security* – You may be required to submit security guaranteeing your payment of the alcohol beverage tax. If security is required, your permit will not be issued until the security is received.

The amount of security required is twice the permittee's maximum monthly beverage tax, but not less than \$1,000 nor more than \$100,000.

Acceptable types of security include bonds or cash.

- *Label Approval* – No alcohol beverage product may be shipped into or sold in Wisconsin until the federal government has approved the label which will appear on the product container. Do not submit copies of federal label approvals to the Division of Alcohol Beverages, contact the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau (TTB) for a Certificate of Label Approval: [COLAs Online Access Request](#).
- *Display of Permit* – Each permit must be conspicuously displayed at the place of business for which issued.
- *Responsible for Actions of Liquor Salespersons* – All liquor permittees are responsible for the actions of their salespersons. A permit may be in jeopardy if any salesperson violates the liquor laws and regulations of this state.
- *Shipments into Wisconsin from Out-of-State Shippers* – All shipments of liquor or beer from another state to a liquor or beer wholesaler in Wisconsin must be unloaded at, and distributed from, the wholesaler's warehouse in Wisconsin. A wine direct shipper who holds a valid Wisconsin permit may ship wine to individuals within Wisconsin if they are of legal drinking age. An individual may only receive 108 liters of wine in a calendar year.
- *Confiscation of Alcohol Beverage Products* – The holder of an out-of-state liquor and/or beer shipper's permit may only ship alcohol beverage products to persons in Wisconsin authorized by the Division of Alcohol Beverages to receive the products. Shipments to unauthorized persons may be confiscated by the division. Out-of-state shippers should confirm whether a person in Wisconsin is authorized to receive products by viewing the [authorized alcohol beverage permittee listing](#) on the department's website.

Alcohol beverages found in Wisconsin on which the tax has not been paid may be confiscated. In addition, any alcohol beverage product possessed or sold under the wrong permit may result in confiscation of the product. Persons who have product confiscated by the Division of Alcohol Beverages may also be subject to the tax on that product and to criminal prosecution.

- *Additional Location* – If you begin operations at another location other than the location covered by your permit, contact the Division of Alcohol Beverages at (608) 264-4573 immediately to obtain a permit for the additional location.



- Reporting Name/Address/Ownership Changes or Ceasing Operations – You must notify the Division of Alcohol Beverages in writing when your business changes its name, address, or ownership or when you cease operating in Wisconsin.

If you receive a different federal employer identification number (FEIN), you must file a new alcohol beverage permit application with the Division of Alcohol Beverages and update your security.

## 6. FILING TAX RETURNS

### A. Who Must File Tax Returns

Most alcohol beverage permittees registered or required to be registered file a tax return summarizing their transactions and computing any tax due.

**Exceptions:** The following alcohol beverage permit types do not have a tax return filing requirement:

- Industrial wine
- Industrial alcohol
- Sacramental wine
- Medicinal alcohol
- Salesperson
- Alcohol beverage warehouse
- Sports club retail liquor and beer
- Vessel retail liquor and beer
- Public facility and airport retail liquor
- Racetrack grounds

Persons holding the above permits are either exempt from the beverage tax (1 through 4), do not actually own the products being sold (5 and 6), or only buy products on which the tax has already been paid (7 through 10).

### B. Due Date of Returns

Returns are due by the 15th of the month following the month or quarter covered by the return. For example, a return for the month of September is due October 15.

A return must be filed even when there are no transactions or taxes to report for the period.

### C. What Return to File

Do not submit invoices with your returns. The department will contact you if an invoice is needed.

#### (1) Intoxicating Liquor Tax Returns

Persons holding a liquor permit who are required to file a beverage tax return must electronically file the [Form AB-130](#), *Wisconsin Distilled Spirits, Cider, and Wine Tax Return*, and applicable schedules.

Wine direct shippers must electronically file Form AB-130, and applicable schedules, on a quarterly basis.

**Note:** All alcohol beverages reportable on Form AB-130 must be expressed in liters. (See Appendix A for conversion factors.)

Brand and Type Schedule – Permittees liable for paying the tax on intoxicating liquor must electronically submit with their monthly returns a schedule listing distilled spirits (by brand and type) shipped to Wisconsin during that month, [Form AB-132](#), *Case Shipments of Distilled Spirits - Wisconsin*.

Out-of-State Shippers holding more than one permit must electronically file a single monthly liquor tax return, Form AB 130, *Wisconsin Distilled Spirits, Cider and Wine Tax Return*, reporting all liquor transactions on a consolidated basis. Shippers should notify the department of the location from which the consolidated return will be filed.

## (2) Beer Tax Returns

- [Form BT-100](#), *Wisconsin Brewery Fermented Malt Beverage Tax Return*. This return, and applicable schedules, must be filed by all breweries and brewpub Permittees.
- [Form BT-104](#), *Wisconsin Fermented Malt Beverage Tax Return*. This return, and applicable schedules, must be filed by all out-of-state shippers of beer and Wisconsin beer wholesalers holding a permit.

**Note:** All beer reportable on Forms BT 100 and 104 must be expressed in barrels. (See Appendix B for conversion factors.)

## (3) Common Carrier Return

Common carriers that operate in Wisconsin (for example, trains, and airplanes), on which alcohol beverages are consumed, must file a quarterly tax return with the department and pay the tax on the beverages consumed in Wisconsin. An alcohol beverage permit is not required to file this return. The [Form AB 154](#), *Common Carrier Alcohol Beverage Tax Return*, is a combination return on which a common carrier reports all their alcohol beverage sales in Wisconsin and computes other alcohol beverage taxes due.

## D. How to File Returns

All intoxicating liquor, cider, wine, and fermented malt beverage tax returns are required to be filed electronically. There are two electronic filing methods available:

- My Tax Account (MTA): Information on MTA can be found at <https://tap.revenue.wi.gov/mta/>.
- An approved xml file transmission: Information for liquor tax xml file transmission can be found at [revenue.wi.gov/Pages/OnlineServices/excise-home.aspx](https://revenue.wi.gov/Pages/OnlineServices/excise-home.aspx). Information on fermented malt beverage xml file transmission can be found at [revenue.wi.gov/Pages/OnlineServices/excise-efile.aspx](https://revenue.wi.gov/Pages/OnlineServices/excise-efile.aspx).

Call (608) 266-6701 if you have questions about preparing and e-filing any of these tax returns.

## E. Electronic Funds Transfer

Taxes can be paid to the department by electronic funds transfer (EFT). Information about EFT can be obtained by calling (608) 264-9918 or online at <https://www.revenue.wi.gov/Pages/FAQS/pcs-efit.aspx>.

Any unpaid taxes are subject to interest at the rate of 1.5% per month calculated from the due date of the return until the date paid.



## F. Late-Filed Returns

Returns not timely filed are subject to:

- A mandatory \$10 late-filing fee.
- A penalty of 5% of the tax due for each month or fraction of a month the required return is not filed (not exceeding 25% of the tax due).

## G. Revocation of Permits

It is very important that you file your tax returns timely and pay any tax due. Permittees with poor filing and/or payment records may have their permit(s) revoked.

## 7. HOW TO AMEND A PRIOR RETURN

All amended intoxicating liquor tax and fermented malt beverage tax reports and returns must be filed electronically with the department. If you are filing an amended liquor or fermented malt beverage tax return, you must file a true, corrected and complete return, including all previously reported unchanged transactions. Do not file a return that only reports the changes.

## 8. CLAIMING A REFUND

To claim a tax refund for:

- Beer and intoxicating liquor spoiled or unfit for consumption, file [Form AB-605](#), *Refund Claim for Beverage Tax*, with the department.
- Fermented malt beverage and intoxicating liquor shipped to wholesalers outside Wisconsin, file on your monthly return (Form [BT-100](#), Form [BT-104](#), or Form [AB-130](#)).
- Intoxicating liquor supplied to hospitals for medicinal purposes or to institutions of learning or museums for use other than as a beverage, file [Form AB-130](#), *Wisconsin Distilled Spirits, Cider, and Wine Tax Return*.
- Wine sold by in-state Wisconsin wholesalers for sacramental purposes, file [Form AB-130](#), *Wisconsin Distilled Spirits, Cider, and Wine Tax Return*.
- Fermented malt beverages sold to the Armed Forces, file [Form BT-612](#), *Refund Claim of Tax on Fermented Malt Beverages Sold to the Armed Forces of the United States*, plus invoices, with department.

These forms may be filed electronically through [My Tax Account](#).

## 9. RECORDKEEPING

Keep a complete copy of your returns and all records used to prepare these returns for a minimum of five years. The records must enable you and the department to determine the correct amount of your tax liability.

These records include, but are not limited to:

- type and quantity of product manufactured,
- purchases and receipt records,
- inventory records,
- sales (taxable and exempt),

- shipments to permittees in other states, and
- product returned to the manufacturer as unsalable.

You are required to keep accurate records of all types of product on hand, and to take and record a physical inventory of each product on hand at each location at the close of business on the last day of every month. If you make nontaxable sales, you must maintain records of these sales, including the name and address of the purchaser, date of sale, amount of product sold, and statement that the tax was not included in the invoice price.

Your records should be kept a minimum of five years, and the first two years must be kept on the premises described on your permit and in a manner easily accessible for review by department representatives.

**Caution:** When records are not maintained, Wisconsin law presumes that all products you purchase or receive are subject to tax without benefit of any deductions. Therefore, it is very important that you maintain sufficient records to show how you determined your tax liability. Call (608) 266-6701 if you have questions about what records to keep.

## 10. INTEREST, FEES, AND PENALTIES

- *Incorrect Returns* – The following may be applied if you file an incorrect or incomplete tax return:
  - Unpaid taxes bear interest at the rate of 12% per year or 18% per year once those taxes become delinquent.
  - Refunded taxes bear interest at the rate of 3% per year.
  - Negligence penalty of 25% of the additional tax due if there is negligence in filing a return.
  - Fraud penalty of 50% of the tax due if there is intent to defeat or evade the tax.

When a return is filed late, the statutory late-filing fee, interest, and penalty will also be applied (see Section VI of this publication).

- *Delinquent Fee* – If you do not pay an amount due by its due date, the amount due may be subject to a delinquent tax collection fee. The fee is the greater of \$35 or 6.5% of the unpaid tax, interest, and penalties that become subject to the delinquent tax collection action.
- *Other Charges* – The following violations may result in additional charges:
  - Filing a false or fraudulent return or helping another person to do so with the intent to defeat or evade the tax.
  - Failing to keep the records required by the department.
  - Refusing to allow the examination or inspection of business premises and records.
  - Displaying or using a permit known to be fictitious, canceled, revoked, or altered.

## 11. BEER PRODUCTION AND LIQUOR STATISTIC REPORTS

Every month, the department compiles statistics of Wisconsin brewery production and beer shipments into Wisconsin, along with winery and intoxicating liquor statistical reports. By statute, these statistical reports are available to the public. The reports can be found at <https://www.revenue.wi.gov/Pages/ISE/excise.aspx>.

## 12. BEVERAGE TAX EVASION

Persons who wish to report suspected cases of beverage tax evasion may contact the department at (608) 266-6701 or submit information through the online [Alcohol Beverage Complaint](#) form.

## 13. INDIVIDUALS BRINGING INTOXICATING LIQUOR INTO WISCONSIN

Under sec. 139.03(5), Wis. Stats., with the following exceptions, no person may bring any liquor (distilled spirits and wine) into Wisconsin unless that person holds a valid liquor permit issued by the Division of Alcohol Beverages:

- Individuals who change their domicile and move to Wisconsin from another state or foreign country may bring intoxicating liquor into Wisconsin without a permit or payment of the Wisconsin liquor tax providing the liquor is shipped as part of their household goods.
- Individuals who have been in a foreign country for at least 48 hours may bring into Wisconsin no more than 4 liters of liquor in sealed original containers without payment of the Wisconsin liquor tax. The liquor must be in that individual's immediate possession and may not be sent, shipped, or carried into Wisconsin in some other manner.
- An active-duty member of the military who has been out of the country for duty or training for at least 48 hours may bring into Wisconsin no more than 16 liters of liquor in sealed original containers without payment of the Wisconsin liquor tax. The liquor must be in that individual's immediate possession and may not be sent, shipped, or carried into Wisconsin in some other manner.

These exceptions only apply to individuals, not a business. Anyone who violates these provisions will have the liquor confiscated and may be subject to monetary penalties and possible imprisonment.

## 14. ASSISTANCE

Questions about obtaining an alcohol beverage permit from the Division of Alcohol Beverages:

- Call (608) 264-4573
- Email [DORAlcohol@wisconsin.gov](mailto:DORAlcohol@wisconsin.gov)

Questions about filing returns and paying taxes:

- Call (609) 266-6701
- Email [DORExcise@wisconsin.gov](mailto:DORExcise@wisconsin.gov)

Visit the Alcohol Beverage web page at: <https://www.revenue.wi.gov/Pages/AlcoholBeverage/home.aspx>

This web page has access to alcohol beverage information including permit and license applications, tax returns and instructions, publications, facts sheets, common questions, news articles and other information.

## APPENDIX A

Conversion factors for converting case sizes to liters for your alcohol beverage tax return

Distilled Spirits			Wine		
No. of Bottles	Bottle Size	Liters Per Case	No. of Bottles	Bottle Size	Liters Per Case
6	1.75 liters	10.5 liters	4	4 liters	16.0 liters
12	1 liter	12.0 liters	4	3 liters	12.0 liters
12	750 milliliters	9.0 liters	6	1.5 liters	9.0 liters
24	500 milliliters	12.0 liters	12	1 liter	12.0 liters
24	375 milliliters	9.0 liters	12	750 milliliters	9.0 liters
48	200 milliliters	9.6 liters	24	500 milliliters	12.0 liters
48	100 milliliters	4.8 liters	24	375 milliliters	9.0 liters
120	50 milliliters	6.0 liters	48	187 milliliters	9.0 liters
			24	12 ounces	8.51715 liters

To convert gallons to liters multiply, by 3.7854

## APPENDIX B

Conversion factors for converting gallons and liters to barrels for your monthly fermented malt beverage return

Barrels Size	Barrels	Ounces Per Bottle	No. of Bottles Per Case	Barrels Per Case
1/6 barrel	0.167	12	6	0.01815
1/4 barrel	0.250	12	12	0.03629
1/2 barrel	0.500	12	18	0.05443
31 gallons	1.000	12	24	0.07258
		40	12	0.12097

Ounces per bottle X number of bottles per case = ounces per case

Ounces per case divided by 3968 = barrels per case

Gallons decimal equivalent = number of gallons X 0.032258

Liter decimal equivalent = number of gallons X 0.0085216

1 liter = 33.814 ounces

1 gallon = 128 ounces or 3.7854 liters

1 barrel = 3968 ounces or 117.374 liters