



Rhode Island Department of Revenue
Division of Taxation

Tax Administrator's Report:

Sales and Taxation of Alcoholic Beverages in Rhode Island



Ad Meskens via Wikimedia Commons

May 1, 2016

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF REVENUE
DIVISION OF TAXATION

May 1, 2016

The Honorable Daniel Da Ponte
Chairman
Committee on Finance
Rhode Island Senate

The Honorable Raymond E. Gallison Jr.
Chairman
Committee on Finance
Rhode Island House of Representatives

I am submitting this report to you in fulfillment of the requirements set forth in legislation approved by the General Assembly in June 2012.¹

The terms of that legislation, codified at Rhode Island General Laws (RIGL) § 3-10-5(b), require that the Tax Administrator, on or before May 1, prepare and submit to you a report showing total sales of alcoholic beverages, sales tax collections, and excise tax collections, by county, involving Class A licensees in Rhode Island for the preceding calendar year.

This report draws its data chiefly from annual reports recently filed with the Division of Taxation by Class A licensees authorized to sell alcoholic beverages in Rhode Island. Class A licensees must file their annual reports with the Division by February 1.

Please let me know if you have any questions or require additional information.

Sincerely yours,

Neena S. Savage
Acting Rhode Island Tax Administrator

¹ Rhode Island Public Law 2012, ch. 241, art. 21, § 15 (amended by P.L. 2013, ch. 144, art. 9, § 9, and P.L. 2014, ch. 528, § 1).



~~~~~

“Each Class A licensee authorized to sell intoxicating beverages at wholesale or retail in this state shall file an annual report on or before February 1 with the division of taxation in the form required by the tax administrator. Such report shall include, but not be limited to, total sales of alcoholic beverages, sales tax, and excise tax collections on such sales for the immediately preceding calendar year. Annually, on or before May 1, the tax administrator shall prepare and submit to the chairs of the house and senate finance committees a report reflecting data from the annual reports submitted by said licensee to the division of taxation. The tax administrator’s report shall compile total sales of alcoholic beverages, sales tax, and excise tax collections by county.”

-- Rhode Island General Laws § 3-10-5(b)

~~~~~



Executive summary

Following are the results, in summary, of the Division of Taxation’s report on the sales and taxation of alcoholic beverages in Rhode Island.²

Table 1. Summary of findings (dollars in millions)

	2014	2015	Difference
Gross sales of alcoholic beverages by liquor stores	\$ 358.8	\$ 379.6	+ 5.8 %
Net taxable sales of alcoholic beverages by liquor stores	\$ 136.5	\$ 140.5	+ 2.9 %
Sales tax collected and remitted by liquor stores	\$ 9.6	\$ 9.8	+ 2.9 %
Excise tax on sales by wholesalers to liquor stores*	\$ 15.6	\$ 18.0	+ 15.2 %

Dollar amounts are rounded and are for calendar year.
* Wholesalers/distributors pay excise tax on alcoholic beverages they sell, net of inventory, to liquor stores.

- Gross sales of alcoholic beverages by liquor stores in Rhode Island totaled \$379.6 million in calendar year 2015, compared with \$358.8 million in calendar year 2014, a 5.8 percent increase.
- Net taxable sales of alcoholic beverages by liquor stores in Rhode Island – in other words, sales after taking into account deductions and exemptions, including the exemption for wine and spirits – totaled approximately \$140.5 million in calendar year 2015, compared with \$136.5 million in calendar year 2014, an increase of 2.9 percent.
- Based on net taxable sales, liquor stores collected and remitted \$9.8 million in Rhode Island sales and use tax in calendar year 2015, compared with \$9.6 million in calendar year 2014, an increase of 2.9 percent. (The tax rate is 7 percent.)
- The Division of Taxation estimates that wholesalers/distributors paid a combined total of approximately \$18.0 million in Rhode Island excise tax on alcoholic beverages they sold, net of inventory, to liquor stores in Rhode Island in calendar year 2015, compared with \$15.6 million in calendar year 2014, an increase of 15.2 percent.

Observations

Although gross sales of alcoholic beverages by liquor stores in Rhode Island in calendar year 2015 increased 5.8 percent, net taxable sales by liquor stores in Rhode Island increased by 2.9 percent, and the amount of sales tax on those net taxable sales increased by 2.9 percent.

The Division of Taxation believes that net taxable sales, and the amount of sales tax on those sales, increased half as much as gross sales, on a percentage basis, due chiefly to the state’s sales tax exemption for wine and spirits sold at liquor stores.

² For the “Executive summary” portion of this report, all dollar amounts are rounded.

The Division of Taxation estimates that Rhode Island forfeited approximately \$16.6 million in sales tax revenue in 2015 due to the sales tax exemption for wine and spirits sold at liquor stores.³

Scope of report

There are 242 active Class A licensees – liquor stores⁴ – in Rhode Island.⁵ Each is required by statute to file an annual sales and use tax return, known as an annual reconciliation.⁶ The returns are due on or before February 1 of each year.

Based on the information contained in such returns, the Tax Administrator is required by statute to prepare and submit a report to the chairs of the House and Senate Finance Committees.

The report is due on or before May 1 of each year. It must include the following information:

- total sales of alcoholic beverages by county;
- sales tax collections by county; and
- excise tax collections by county.

This report is therefore broken into three sections:

- 1.) gross sales of alcoholic beverages;
- 2.) sales tax collections (based on net taxable sales of alcoholic beverages); and
- 3.) excise tax (paid by wholesalers/distributors).

The appendices contain additional information.

³ See Part 2 of this report, “Sales tax collections,” and Part 3, “Excise tax,” for more information.

⁴ Liquor stores are also known as “package stores.”

⁵ In general, a retailer with a Class A license is authorized to store and sell alcoholic beverages on premises, under certain conditions. Additional information is available in RIGL § 3-7-1 and § 3-7-3.

⁶ Rhode Island General Laws § 3-10-5(b).

1.) Gross sales of alcoholic beverages by liquor stores

The Division of Taxation estimates that gross sales of alcoholic beverages at liquor stores in Rhode Island in calendar year 2015 totaled approximately \$379.6 million,⁷ which represents a 5.8 percent increase over calendar year 2014. (Please see Table 2.)

Table 2. Gross sales of alcoholic beverages, statewide, 2015 vs. 2014 (dollars in millions)			
	2014	2015	Difference
Gross sales of alcoholic beverages by liquor stores	\$ 358.8	\$ 379.6	+ 5.8 %
Calendar-year dollar amounts are rounded, are for sales at liquor stores only (before deductions and exemptions), and are based on annual reconciliation reports filed by stores with Division of Taxation.			

Wine and spirit sales accounted for approximately \$238 million, or 63 percent, of gross sales of alcoholic beverages by liquor stores in calendar year 2015. Beer and malt sales accounted for approximately \$141.6 million, or 37 percent of the total. Rhode Island’s sales tax exemption applies to wine and spirit sales, not to beer and malt sales. (Please see pie chart below.)



Of the \$379.6 million in gross sales of alcoholic beverages by liquor stores in calendar year 2015, Providence County accounted for the largest portion – approximately \$187.4

⁷ Dollar amounts and percentages in tables in this report may not sum to totals due to rounding.



million, or 49 percent. Bristol County accounted for the smallest portion – approximately \$14.7 million, or 3.9 percent. (Please see Table 3.)

Table 3. Gross sales of alcoholic beverages, by county, 2015 vs. 2014

County	2014	2015	Difference
Providence	\$ 174,303,805.02	\$ 187,350,733.79	+ 7.5 %
Kent	74,260,510.72	76,658,423.81	+ 3.2 %
Washington	61,609,069.15	60,995,369.14	- 1.0 %
Newport	34,820,302.46	39,854,237.58	+ 14.5 %
Bristol	13,790,037.88	14,748,955.70	+ 7.0 %
Total:	\$ 358,783,725.23	\$ 379,607,720.02	+ 5.8 %

Dollar amounts, for calendar years, are rounded, are for sales at liquor stores only – before deductions and exemptions, and are based on annual reconciliation reports filed by stores with Division of Taxation.

Net taxable sales of alcoholic beverages

The Division of Taxation estimates that net taxable sales of alcoholic beverages at liquor stores in Rhode Island in calendar year 2015 totaled approximately \$140.5 million.⁸ That represents a 2.9 percent increase from calendar year 2014. (Please see Table 4.) The sales tax exemption for wine and spirits was in force for all of calendar years 2014 and 2015.

Table 4. Net taxable sales of alcoholic beverages at liquor stores, 2015 vs. 2014 (dollars in millions)

	2014	2015	Difference
Net taxable sales of alcoholic beverages by liquor stores	\$ 136.5	\$ 140.5	+ 2.9 %

Calendar-year dollar amounts are for sales in Rhode Island at liquor stores only, after deductions and exemptions, and are based on annual reconciliation reports filed by stores with Division of Taxation.

Of the \$140.5 million in net taxable sales of alcoholic beverages at liquor stores in Rhode Island in calendar year 2015, Providence County accounted for the largest portion – approximately \$72.8 million, or 52 percent. Bristol County accounted for the smallest portion, approximately \$4.9 million, or 3.5 percent. (Please see Table 5.)

Table 5. Net taxable sales of alcoholic beverages, by county, 2015 vs. 2014

County	2014	2015	Difference
Providence	\$ 68,756,204.77	\$ 72,843,052.90	+ 5.9 %
Kent	27,445,321.25	27,009,045.29	- 1.6 %
Washington	23,094,119.86	22,389,756.28	- 3.0 %
Newport	12,448,758.90	13,274,445.32	+ 6.6 %
Bristol	4,773,724.44	4,958,963.17	+ 3.9 %
Total:	\$ 136,518,129.22	\$ 140,475,262.96	+ 2.9 %

Calendar-year dollar amounts are based on net taxable sales at liquor stores, and are based on annual reconciliation reports filed by stores with Division of Taxation.

⁸ “Net taxable sales” generally means gross sales after deductions for certain nontaxable items, including re-sales mainly to caterers (who charge sales tax to end users); sales to tax-exempt federal and state government agencies; sales to tax-exempt nonprofit organizations; and the sale of wine and spirits. (The sale of wine and spirits was exempt from the sales tax for all of calendar years 2014 and 2015.)



2.) Sales tax collections

Rhode Island liquor stores collected and remitted a total of approximately \$9.8 million in sales tax on their net taxable sales of alcoholic beverages in 2015. That compares with \$9.6 million in 2014. (Please see Table 6.)

	2014	2015	Difference
Sales tax collected and remitted by liquor stores	\$ 9.6	\$ 9.8	+ 2.9 %

Dollar amounts are for calendar years and are rounded.

When looking at tax collected by county in 2015, liquor stores in Providence County collected the most, in the aggregate – approximately \$5.1 million. Liquor stores in Bristol County collected the least, in the aggregate – approximately \$347,127. (See Table 7.)

County	2014	2015	Difference
Providence	\$ 4,812,934.33	\$ 5,099,013.70	+ 5.9 %
Kent	1,921,172.49	1,890,633.17	- 1.59 %
Washington	1,616,588.39	1,567,282.94	- 3.05 %
Newport	871,413.12	929,211.17	+ 6.6 %
Bristol	334,160.71	347,127.42	+ 3.9 %
Total:	9,556,269.04	\$ 9,833,268.40	+ 2.9 %

Calendar-year dollar amounts are based on net taxable sales at liquor stores, and are based on annual reconciliation reports filed by stores with Division of Taxation.

The \$9.8 million in sales tax on the sale of alcoholic beverages by Rhode Island liquor stores in calendar year 2015 was higher than in 2014, but lower than the \$20.3 million collected and remitted in 2013. In 2013, the sales tax exemption for wine and spirits was in effect for only one month (December). For both 2014 and 2015, the sales tax exemption for wine and spirits was in effect for the full year.

Exemption for wine, spirits

Legislation enacted on July 3, 2013,⁹ temporarily exempted wine and spirits sold at liquor stores from Rhode Island sales and use tax. The exemption was for a 16-month period – from December 1, 2013, through March 31, 2015.

⁹ Rhode Island Public Law 2013, ch. 144, art. 9, § 3, added an exemption to Rhode Island General Laws § 44-18-30, “Gross receipts exempt from sales and use taxes.” The exemption applied to the sale and storage, use, or other consumption in Rhode Island of alcoholic beverages from December 1, 2013, through March 31, 2015 – although beer and malt beverages continued to be subject to sales and use tax during that period. The legislation enacted in 2013 also stated that alcoholic beverages “shall not be subject to minimum markup” from December 1, 2013, through March 31, 2015.

Under legislation enacted June 19, 2014,¹⁰ that exemption was extended for three months, through June 30, 2015. Under legislation enacted on June 30, 2015,¹¹ the exemption was made permanent.

With respect to wine and spirit sales as listed on their annual reconciliation returns, liquor stores in the aggregate claimed a sales and use tax deduction of approximately \$237.6 million for 2015, compared with \$221.1 million for 2014, an increase of 7.4 percent. (Please see Table 8.)

Table 8. Sale of wine and spirits, deducted on liquor store sales tax reconciliations, 2015 vs. 2014

<i>County</i>	<i>2014</i>	<i>2015</i>	<i>Difference</i>
Providence	\$ 105,055,463.42	\$ 114,177,487.27	+ 8.57 %
Kent	46,768,689.75	49,582,528.25	+ 6.0 %
Washington	38,494,917.38	38,558,619.55	+ 0.2 %
Newport	21,872,633.98	25,582,410.05	+ 17.0 %
Bristol	8,945,413.06	9,668,511.25	+ 8.1 %
Total:	\$ 221,137,117.59	\$ 237,569,556.37	+ 7.4 %

Dollar amounts are for calendar years, aggregated from liquor store reports.

Forgone sales tax revenue

The Division of Taxation estimates that Rhode Island forfeited approximately \$16.6 million in sales tax revenue as a result of the sales tax exemption on wine and spirit sales for 2015, compared with \$15.5 million for 2014.¹² (Please see Table 9.) Additional information related to this matter, including increased excise taxes and increased excise tax revenue, is in Part 3 of this report.

Table 9. An estimate of forgone sales tax revenue, by county, calendar year 2015

<i>County</i>	<i>Wine and spirit sales deducted on store returns</i>	<i>An estimate of forgone sales tax revenue</i>
Providence	\$ 114,177,487.27	\$ 7,992,424.10
Kent	49,582,528.25	3,470,776.98
Washington	38,558,619.55	2,699,103.37
Newport	25,582,410.05	1,790,768.70
Bristol	9,668,511.25	676,795.79
Total:	\$ 237,569,556.37	\$ 16,629,868.94

¹⁰ Rhode Island Public Law 2014, ch. 145, art. 12, § 9.

¹¹ Rhode Island Public Law 2015, ch. 141, art. 11, § 7.

¹² The estimates do not take into account the increase in sales, as reported in Part 1 of this report, or in excise tax rates and excise tax collections, as reported in Part 3. Also, a detailed analysis of the forgone sales tax revenue is beyond the scope of this report, though it should be noted that a repeal of the exemption would not necessarily generate an amount equal to the estimates of forgone sales tax revenue stated above. For example, some consumers and retailers might change their behavior in response to a repeal.



3.) Excise tax

Wholesalers/distributors of alcoholic beverages are subject to Rhode Island’s alcoholic beverage excise tax and must also file annual reconciliation returns.¹³ Excise taxes on a number of categories of alcoholic beverages increased – effective July 1, 2013, through June 30, 2015. Among the categories affected by the increase were malt beverages (including beer), and spirits – such as whiskey, gin, rum, and brandy – containing alcohol measuring more than 30 proof. (Please see Table 10.) The increases were initially intended to be temporary, but were made permanent under legislation enacted June 30, 2015,¹⁴ effective July 1, 2015.

Table 10. Excise tax per gallon on wholesalers/distributors and manufacturers

	Previous tax rates	Current tax rates
Still wines	\$ 0.60	\$ 1.40
Still wines (Rhode Island fruit)	0.30	0.30
Sparkling wines	0.75	0.75
Whiskey, other distilled spirits	3.75	5.40
Low proof distilled spirits	1.10	1.10
Ethyl alcohol (for beverage purposes)	7.50	7.50
Ethyl alcohol (for non-beverage use)	0.08	0.08
Malt beverages, including beer	3.00	3.30

- All taxes are per gallon, except tax on malt beverages, which is per barrel (a barrel equals 31 gallons).
- “Previous tax rates” were in effect through June 30, 2013.
- “Current tax rates” took effect July 1, 2013.
- Still wines made entirely from fruit grown in Rhode Island continue to be taxed at 30 cents a gallon.
- “Low proof” spirits contain alcohol measuring 30 proof or less.
- Tax applies to manufacturers; wholesalers/distributors pay fee equal to applicable tax rate.
- Beer brewed in-state and meeting certain other conditions may qualify for limited tax exemption.

Rhode Island General Laws § 3-10-5(b) requires the Division of Taxation to report excise tax collections by county. For calendar year 2015, wholesalers/distributors paid a combined total of approximately \$18.0 million in Rhode Island excise tax on alcoholic beverages they sold, net of inventory, to liquor stores in Rhode Island.¹⁵ That compares with approximately \$15.6 million in calendar year 2014, an increase of 15.2 percent. (Please see Table 11.)

¹³ The excise tax applies to manufacturers; wholesalers/distributors pay a fee equal to the tax. The levy is sometimes referred to as a “manufacturing tax” or “import service fee.”

¹⁴ Rhode Island Public Law 2015, ch. 141, art. 11, § 8.

¹⁵ To meet the requirements of Rhode Island General Laws § 3-10-5(b), the Division of Taxation had to make certain assumptions for versions of this report published in prior years - including, for example, what percentage of total sales by wholesalers/distributors were made to liquor stores. However, due to a revision of the Division of Taxation’s annual reconciliation form, that issue has been resolved; the assumptions are no longer needed.



Table 11. Alcoholic beverage excise taxes, 2015 vs. 2014 (dollars in millions)

	2014	2015	Difference
Tax paid by wholesalers	\$ 15.6	\$ 18.0	+ 15.2 %

Dollar amounts are rounded, for calendar year, and are based on reports filed by wholesalers/distributors with Division of Taxation. Current tax rates were in effect for one-half of calendar year 2013, all of calendar years 2014 and 2015.

The Rhode Island sales tax exemption on wine and spirits in 2014 and 2015 applied at the retail level – on sales by liquor stores to consumers. There was no exemption on wine and spirits in 2014 and 2015 sold at the wholesale level – sales by wholesalers/distributors to liquor stores.

Thus, in summary, Rhode Island forfeited an estimated \$16.6 million in sales tax revenue in 2015 due to the sales tax exemption on wine and spirits sold at retail. However, that was partially offset by a \$2.38 million increase in excise tax revenue for 2015.

Table 12. Alcoholic beverage excise taxes, by county, 2015 vs. 2014

County	2014	2015	Difference
Providence	\$ 7,738,500.61	\$ 8,709,223.87	+ 12.5 %
Kent	3,259,680.25	3,570,631.97	+ 9.5 %
Washington	2,604,362.78	3,076,423.42	+ 18.1 %
Newport	1,434,669.14	1,917,064.91	+ 33.6 %
Bristol	570,218.52	711,001.10	+ 24.7 %
Total:	\$ 15,607,431.29	\$ 17,984,345.27	+ 15.2 %

Dollar amounts are for calendar years.

Of the approximately \$18.0 million in excise tax paid by wholesalers/distributors on alcoholic beverages sold to liquor stores in calendar year 2015, Providence County accounted for the largest portion – approximately \$8.7 million, or 48 percent. Bristol County accounted for the smallest portion – approximately \$711,000, or 3.95 percent of the statewide total. (Please see Table 12.)



Timeline

JUNE 2012

- ✦ Legislation is enacted requiring all sellers of alcoholic beverages (wholesalers and retailers, including taverns, bars, liquor stores, and others) to file an annual report to the Division of Taxation by February 1 each year and include their total sales of alcoholic beverages, as well as the sales tax and excise tax collections on such sales.
- ✦ The legislation also requires the Tax Administrator to prepare and submit a report on or before May 1 each year, including a compilation of total sales of alcoholic beverages, and the related sales tax and excise tax collections by county.

JULY 2013

- ✦ Legislation is enacted to temporarily increase excise taxes on a number of categories of alcoholic beverages for a 21-month period, from July 1, 2013, through March 31, 2015. Among the categories affected by the increase will be malt beverages (including beer), a number of still wines, and spirits such as whiskey, gin, rum, and brandy containing alcohol measuring more than 30 proof. (The excise tax applies to manufacturers; wholesalers/distributors pay a fee equal to the tax.)
- ✦ The legislation also will temporarily exempt, from Rhode Island sales and use tax, all wine and spirits sold at liquor stores (“Class A” licensees under Rhode Island General Laws Title 3). The exemption is to be in force for 16 months, from December 1, 2013, through March 31, 2015. Also during that period, no alcoholic beverages sold at retail will be subject to state’s minimum markup. Beer and other malt beverages will continue to be subject to the sales and use tax.
- ✦ Thus, the temporary increase in excise taxes will begin earlier than the temporary sales tax exemption on wine and spirits sold at liquor stores, but will end at the same time.
- ✦ The legislation also limits the scope of the annual reporting requirement. Under the June 2012 legislation as enacted, all sellers of alcoholic beverages (wholesalers and retailers, including taverns, bars, liquor stores, etc.) had to make the annual filing. Under the July 2013 legislation as enacted, the annual reporting requirement will apply only to Class A licensees authorized to sell intoxicating beverages at wholesale or retail.

JUNE 2014

- ✦ Legislation is enacted to extend, by three months, the temporary increase in excise taxes. Thus, the increase, which was to have ended March 31, 2015, will be extended through June 30, 2015.

✦ The legislation also extends, by three months, the temporary sales tax exemption on wine and spirits sold at liquor stores. Thus, the exemption, which was to have ended March 31, 2015, will be extended through June 30, 2015. (Beer and other malt beverages will continue to be subject to the sales and use tax.)

JUNE 2015

✦ Legislation is enacted to permanently extend the increases in excise taxes. (The increases were to have ended June 30, 2015.)

✦ The legislation also permanently exempts from sales and use tax the sale of wine and spirits sold at liquor stores – “Class A” licensees under Rhode Island General Laws Title 3. (The exemption was to have ended June 30, 2015.) Beer and other malt beverages will continue to be subject to the sales and use tax.

Notes on this report

Of the 242 active Class A licensees (liquor stores) required to report sales of alcoholic beverages and related tax information, a total of 227 filed annual reconciliation returns with the Division of Taxation as of April 18, 2016. Thus, approximately 94 percent of licensees filed annual returns with the agency, while approximately 6 percent did not. The 15 Class A licensees that were delinquent in the filing of annual reconciliation returns as of April 18, 2016, make up 3 percent of total sales activity. Thus, the Division of Taxation is confident that the data contained in this report covers approximately 97 percent of total sales activity.

There are 27 active wholesalers/distributors of alcoholic beverages in Rhode Island. Of those, five were delinquent in filing their annual reconciliation returns as of April 18, 2016. The Division of Taxation has determined that, of the five who were delinquent in filing their returns, three would have filed returns showing zero excise tax, while two would have filed returns showing minimal excise tax. The delinquent filers represented approximately 18.5 percent of all filers. Furthermore, the delinquent filers make up less than 1 percent of total sales activity. Thus, the Division of Taxation is confident that the excise tax data contained in this report covers more than 99 percent of total sales activity.

Alcoholic Beverages

CHAPTER 3-10 Taxation of Beverages

SECTION 3-10-5

§ 3-10-5 Information supplemental to returns – Audit of books. – (a) The tax administrator may at any time request further information from any person or from the officers and employees of any corporation that he or she may deem necessary to verify, explain, or correct any return made in pursuance of the provisions of this chapter, and for the like purpose, the administrator or his or her authorized agent may examine the books of account of that person or corporation during business hours.

(b) Each Class A licensee authorized to sell intoxicating beverages at wholesale or retail in this state shall file an annual report on or before February 1 with the division of taxation in the form required by the tax administrator. Such report shall include, but not be limited to, total sales of alcoholic beverages, sales tax, and excise tax collections on such sales for the immediately preceding calendar year. Annually, on or before May 1, the tax administrator shall prepare and submit to the chairs of the house and senate finance committees a report reflecting data from the annual reports submitted by said licensee to the division of taxation. The tax administrator's report shall compile total sales of alcoholic beverages, sales tax, and excise tax collections by county.

History of Section.

(P.L. 1933, ch. 2013, § 44; G.L. 1938, ch. 167, § 4; impl. am. P.L. 1939, ch. 660, § 70; G.L. 1956, § 3-10-5; P.L. 2012, ch. 241, art. 21, § 15; P.L. 2013, ch. 144, art. 9, § 9; P.L. 2014, ch. 528, § 1.)

Appendix B: Expanded tables

2015 Alcoholic Beverage Sales Tax Report

County	Gross Sales - Alcoholic Beverages			Sales Tax Deductions Related to Alcoholic Beverages						Net taxable Alcoholic Sales	
	Wine & Spirit Sales	Beer & Malt Sales	Total Alcoholic Beverage Sales	Resale	Interstate	Fed & State	Other Exempt	Wine & Spirits	Total Deduction	Alcoholic Sales	Sales Tax
Bristol	9,668,511.25	5,080,444.45	14,748,955.70	0.00	0.00	0.00	121,481.28	9,668,511.25	9,789,992.53	4,958,963.17	347,127.42
Kent	49,582,528.25	27,075,895.56	76,658,423.81	10,438.87	3,445.00	0.00	52,966.40	49,582,528.25	49,649,378.52	27,009,045.29	1,890,633.17
Newport	25,986,707.85	13,867,529.73	39,854,237.58	325,921.92	0.00	295,722.15	375,738.14	25,582,410.05	26,579,792.26	13,274,445.32	929,211.17
Providence	114,242,374.42	73,108,359.37	187,350,733.79	85,755.55	58,416.38	94,375.47	91,646.22	114,177,487.27	114,507,680.89	72,843,052.90	5,099,013.70
Washington	38,568,384.52	22,426,984.62	60,995,369.14	33,659.78	3,405.27	0.00	9,928.26	38,558,619.55	38,605,612.86	22,389,756.28	1,567,282.94
TOTAL RI	238,048,506.29	141,559,213.73	379,607,720.02	455,776.12	65,266.65	390,097.62	651,760.30	237,569,556.37	239,132,457.06	140,475,262.96	9,833,268.40

2014 Alcoholic Beverage Sales Tax Report

County	Gross Sales - Alcoholic Beverages			Sales Tax Deductions Related to Alcoholic Beverages						Net taxable Alcoholic Sales	
	Wine & Spirit Sales	Beer & Malt Sales	Total Alcoholic Beverage Sales	Resale	Interstate	Fed & State	Other Exempt	Wine & Spirits	Total Deduction	Alcoholic Sales	Sales Tax
Bristol	8,945,413.06	4,844,624.82	13,790,037.88	0.00	0.00	0.00	70,900.38	8,945,413.06	9,016,313.44	4,773,724.44	334,160.71
Kent	46,780,977.75	27,479,532.97	74,260,510.72	0.00	6,434.81	0.00	40,064.91	46,788,689.75	46,815,189.47	27,445,321.25	1,921,172.49
Newport	22,270,336.08	12,549,966.38	34,820,302.46	220,888.61	0.00	182,590.03	95,430.94	21,872,633.98	22,371,543.56	12,448,758.90	871,413.12
Providence	105,114,645.58	69,189,159.44	174,303,805.02	310,114.39	40,148.58	0.00	141,873.86	105,055,463.42	105,547,600.25	68,756,204.77	4,812,934.33
Washington	38,494,916.64	23,114,152.51	61,609,069.15	0.00	0.00	0.00	20,031.91	38,494,917.38	38,514,949.29	23,094,119.86	1,616,588.39
TOTAL RI	221,606,289.11	137,177,436.12	358,783,725.23	531,003.00	46,583.39	182,590.03	368,302.00	221,137,117.59	222,265,596.01	136,518,129.22	9,556,269.04

% Difference between 2014 & 2015

County	Gross Sales - Alcoholic Beverages			Sales Tax Deductions Related to Alcoholic Beverages						Net taxable Alcoholic Sales	
	Wine & Spirit Sales	Beer & Malt Sales	Total Alcoholic Beverage Sales	Resale	Interstate	Fed & State	Other Exempt	Wine & Spirits	Total Deduction	Alcoholic Sales	Sales Tax
Bristol	8.08%	4.87%	6.95%	N/A	N/A	N/A	N/A	N/A	N/A	3.88%	3.88%
Kent	5.99%	-1.47%	3.23%	N/A	N/A	N/A	N/A	N/A	N/A	-1.59%	-1.59%
Newport	16.69%	10.50%	14.46%	N/A	N/A	N/A	N/A	N/A	N/A	6.63%	6.63%
Providence	8.68%	5.66%	7.49%	N/A	N/A	N/A	N/A	N/A	N/A	5.94%	5.94%
Washington	0.19%	-2.97%	-1.00%	N/A	N/A	N/A	N/A	N/A	N/A	-3.05%	-3.05%
TOTAL RI	7.42%	3.19%	5.80%	N/A	N/A	N/A	N/A	N/A	N/A	2.90%	2.90%



Excise tax/import service fee paid by wholesalers/distributors/manufacturers on alcoholic beverages, by county, for calendar year 2015:

	Bristol County	Kent County	Newport County	Providence County	Washington County	TOTAL FEE
DISTILLED SPIRITS	\$ 318,622.56	\$ 1,919,180.72	\$ 829,160.39	\$ 4,939,176.21	\$ 1,473,182.02	\$ 9,479,321.90
LOW PROOF DISTILLED SP	\$ 4,036.65	\$ 23,862.97	\$ 9,523.17	\$ 49,331.74	\$ 16,234.51	\$ 102,989.04
ETHYL ALCOHOL	\$ 218.99	\$ 1,381.13	\$ 1,962.03	\$ 7,766.60	\$ 1,133.39	\$ 12,462.14
STILL WINE	\$ 199,466.06	\$ 1,063,269.99	\$ 548,714.19	\$ 1,847,970.41	\$ 832,278.10	\$ 4,491,698.75
SPARKLING WINE	\$ 4,216.68	\$ 17,107.30	\$ 15,470.46	\$ 36,152.80	\$ 16,970.54	\$ 89,917.78
PACKAGED BEER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MALT BEVERAGE BARREL	\$ 184,440.16	\$ 545,829.86	\$ 512,234.67	\$ 1,828,826.11	\$ 736,624.86	\$ 3,807,955.66
TOTAL IMPORT FEE	\$ 711,001.10	\$ 3,570,631.97	\$ 1,917,064.91	\$ 8,709,223.87	\$ 3,076,423.42	\$ 17,984,345.27

Excise tax/import service fee paid by wholesalers/distributors/manufacturers on alcoholic beverages, by county, for calendar year 2014:

	Bristol County	Kent County	Newport County	Providence County	Washington County	TOTAL FEE
DISTILLED SPIRITS	\$ 310,338.04	\$ 1,841,566.70	\$ 753,754.60	\$ 4,797,532.89	\$ 1,463,822.85	\$ 9,167,015.07
LOW PROOF DISTILLED SPIRITS	\$ 3,161.96	\$ 21,206.07	\$ 7,835.61	\$ 50,019.14	\$ 17,182.35	\$ 99,405.13
ETHYL ALCOHOL	\$ 583.33	\$ 1,167.60	\$ 2,478.31	\$ 9,971.44	\$ 1,490.05	\$ 15,690.74
STILL WINE	\$ 200,623.38	\$ 1,070,333.65	\$ 510,885.65	\$ 1,926,899.20	\$ 844,799.19	\$ 4,553,541.06
SPARKLING WINE	\$ 3,124.70	\$ 16,275.18	\$ 15,483.18	\$ 55,436.80	\$ 15,360.89	\$ 105,680.75
PACKAGED BEER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MALT BEVERAGE BARRELS	\$ 52,387.12	\$ 309,131.04	\$ 144,231.78	\$ 898,641.14	\$ 261,707.46	\$ 1,666,098.54
TOTAL IMPORT FEE	\$ 570,218.52	\$ 3,259,680.25	\$ 1,434,669.14	\$ 7,738,500.61	\$ 2,604,362.78	\$ 15,607,431.29

Note: Prior years' reports are available at the Division of Taxation website:

<http://www.tax.ri.gov/reports/index.php>

Also online is the Division of Taxation's annual reconciliation form involving sales of alcoholic beverages:

http://www.tax.ri.gov/taxforms/sales_excise/sales_use.php

