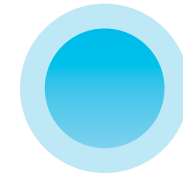


5 WAYS TO SIMPLIFY BEVERAGE ALCOHOL TAX COMPLIANCE

AN OVERVIEW FOR SUPPLIERS,
RETAILERS, MARKETPLACES,
AND DELIVERY APPS

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Introduction

Beverage alcohol tax compliance can be complicated and time-consuming. For many businesses, it often involves manual, resource-draining processes. The following five steps show how our SaaS solution can automate and simplify that complexity.

Avalara helps you spend less time and effort on compliance and more on what really matters – getting products into the hands of your customers.



Get licensed where you sell

The first step is to make sure you're licensed in every state and jurisdiction where it's required, as well as for every channel (e.g., direct-to-consumer and three-tier). This includes registering for any required taxes in the jurisdictions in which you sell. Licenses generally need to be reviewed on an annual basis, so it's important to keep up with renewals and modifications as your business changes.

Even changes in your business – such as a change in officers or ownership structure – may trigger a requirement to modify existing licenses. These activities can be even more difficult due to varying requirements, deadlines, and processing times.



HOW AVALARA CAN HELP

Avalara Licensing for Beverage Alcohol

Make beverage alcohol licensing easier. Get the tax permits, license forms, and renewals you need to operate, sell products, and maintain compliance. Avalara simplifies licensing by generating the forms you need and filing on your behalf. We help as your business changes, too, by tracking and renewing licenses and recommending modifications. With Avalara, you can put more energy toward revenue-generating activities and less on maintaining licenses and permits.

Need hands-on help?

Get more than just software. The Avalara compliance team can help you with license and product renewals, backfiling, voluntary disclosure agreements, and more.

Register your products

The wide array of state and federal requirements for product registration can be confusing – especially as it evolves and changes. It's critical to monitor changes to renewals and state-specific rules, and to generate revision applications based on adjustments to alcohol by volume, vintage, and bottle size specifications.

Even after obtaining initial federal permits, state operating licenses, and out-of-state licenses, you may need to register labels both at the federal and state levels.



HOW AVALARA CAN HELP

Avalara Product Registration for Beverage Alcohol

Streamline your product registrations. Avalara can help you submit new state and federal registration applications (for both brands and labels), renew registrations where required, and submit any necessary revisions. We monitor both renewals and changes to state-specific rules, so you can be sure that every label is properly registered.

Calculate tax

Once you're fully licensed and have registered your products, the next step is to calculate tax liability. But that can be complicated because rules and rates across products and jurisdictions can be frustratingly complex.

Regulations governing taxes exist at country, state, county, city, and special district levels, and there's little consistency between them.



HOW AVALARA CAN HELP

Avalara AvaTax for Beverage Alcohol

Simplify tax calculation and compliance. Avalara calculates sales and use tax, state and local excise tax, markup tax, and liquor-by-the-drink tax. Our extensive library of tax codes even gives you the flexibility to sell other products, such as clothing, merch, and food. We also provide one central location for greater visibility into all compliance information. Avalara AvaTax Advanced Transaction Rules Customize calculation rules for complex transactions with AvaTax.

Avalara Tax Research

Find, track, and manage taxability information with one of the most complete tax research libraries.

Selling internationally? Offload calculation of international taxes to Avalara, including VAT, customs and duties, and GST.

Verify shipping compliance

When shipping directly to consumers, you have to be able to determine transaction compliance quickly and accurately. Transactions need to comply with rules at both the origin and destination.

States have a wide range of regulations, including those around age verification, business license requirements, dry areas, and volume limits applied to individuals, households, jurisdictions, and shipment and bottle maximums.



HOW AVALARA CAN HELP

Avalara Shipping Verification for Beverage Alcohol

Get each part of shipping verification right. Users of AvaTax for Beverage Alcohol can mitigate compliance risk by verifying shipments against all relevant rules, using integrations into existing business systems and workflows. You also get detailed information for orders indicating whether a shipment is in or out of compliance.

File and remit taxes

Filing tax returns can be complex and time-consuming, taking energy and attention away from more valuable business activities.

Automation can eliminate much of that hassle, while improving accuracy and reducing audit risk. More accurate returns can also mean less time spent on compliance and fewer fees for inaccuracies.



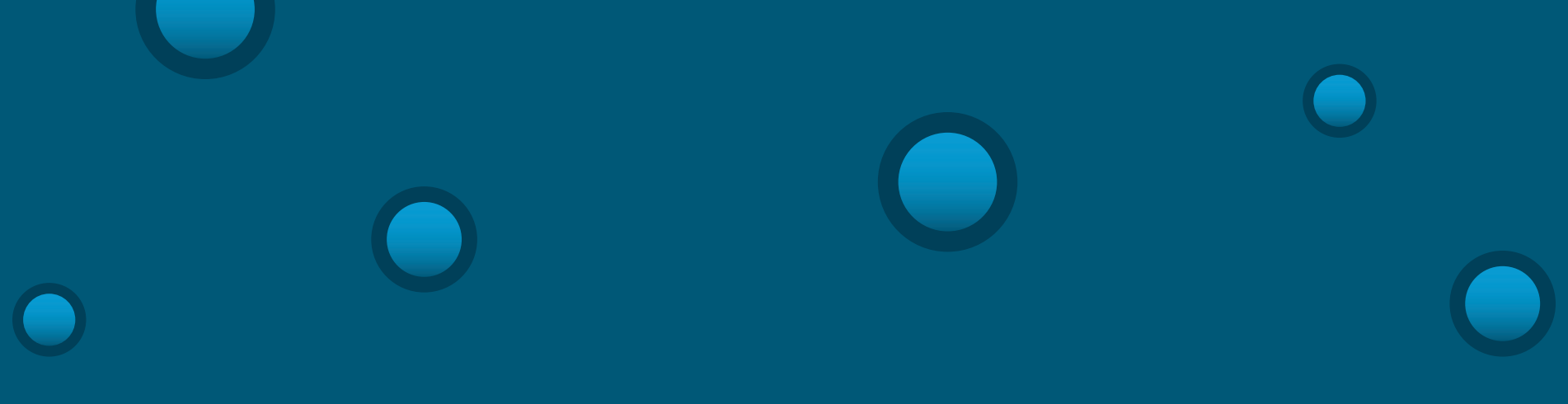
HOW AVALARA CAN HELP

Avalara Returns for Beverage Alcohol

Offload much of the time spent and hassle of filing. Avalara helps you streamline filing for tax and shipment reporting for both direct-to-consumer and wholesale channels. Gain efficiencies with sales tax, state and local excise tax, markup tax, shipping reports, and other filings with Avalara.

Streamlined Sales Tax (SST)

Get registered at no cost in SST member states where your business qualifies as a volunteer seller. Once registered, the states cover the cost of sales tax calculations, returns preparation, and filing when you partner with Avalara.



Simplify beverage alcohol tax compliance with Avalara

The world has changed and managing compliance has only gotten more complex. Avalara can help. Our automation, expertise, and integrated compliance platform can help you focus on your business, not compliance.

Want to learn more?

Our tax automation experts are available to talk and assist you in finding the right solutions.

GET STARTED

(877) 224-3650

DISCLAIMER

Tax rates, rules, and regulations change frequently. Although we hope you'll find this information helpful, this guide is for informational purposes only and does not provide legal or tax advice.



Avalara makes tax compliance faster, easier, more accurate, and more reliable for 41,000+ business and government customers in over 75 countries. Tax compliance automation software solutions from Avalara leverage 1,200+ signed partner integrations across leading ecommerce, ERP, and other billing systems to power tax calculations, document management, tax return filing, and tax content access. Visit avalara.com to improve your compliance journey.
