

## OREGON LIQUOR CONTROL COMMISSION

# Privilege Tax

## Frequently Asked Questions

### When is state privilege tax payment on malt beverages and wine due to the OLCC?

Privilege tax is due when product is removed from federal bond, or when federal tax paid product is imported into Oregon.

### Who is responsible for tax on malt beverages and wine removed from federal bond?

The Oregon licensee that removed the product from federal bond is responsible for paying the privilege tax on the product.

### Who is responsible for tax on malt beverages and wine imported into Oregon?

The first Oregon licensee that receives the product from out of state is responsible for the tax.

### Can an Oregon winery claim a small winery exemption?

Yes, as long as the winery produces less than 100,000 gallons annually. They may exempt the first 40,000 gallons sold.

### Who can take the export credit on malt beverages and wine that is exported out of Oregon?

Export credit can be taken by the manufacturer or distributor that originally paid the privilege tax and exported the product. The manufacturer or distributor can only take the export credit on product that has had the privilege tax paid on it.

### When can I take the export credit?

The export credit can be taken in the month the product is exported and leaves the state of Oregon.

### When am I required to file a privilege tax statement?

- **Wineries, Growers Sales Privilege and Warehouses**
  - Annually, if no tax is due for the entire year
  - Monthly, if a tax liability exists in any month of the year
- **Distributors**
  - Monthly
- **Breweries and Brewpubs**
  - Monthly

### Do I need to file a privilege tax statement, even if there was no activity during the reporting period?

Yes. The privilege tax statement and inventory schedule are required even when the licensee has no activity. Other schedules are not required.



### For more information contact:

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*The mission of the OLCC is to promote the public interest through the responsible sale and service of alcoholic beverages.*

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