

## **Frequently Asked Questions: Malt or Brewed Beverages Reporting**

The following Q&As address questions regarding the malt or brewed beverages reporting provisions added by Act 166 of 2016 (“Act 166”), which provide as follows:

*Any person selling malt or brewed beverages at wholesale, and any person selling at retail malt or brewed beverages that were not sold at wholesale, shall report to the Pennsylvania Liquor Control Board the volume of such packaged and draft malt or brewed beverages sold. The report, in the form and manner determined by the board, shall be made for each calendar month no later than sixty days after the end of each calendar month and shall show product volumes, broken down by brewer. All volumes shall be reported in thirty-one-gallon barrel equivalents, regardless of package size. The board shall, within fourteen days of the receipt of the report, place the reports on the Internet in a manner accessible to the general public. The board shall maintain the reports on the Internet in a manner accessible to the general public for a period of at least two years and shall archive the reports for a period of at least ten years.*

47 P.S. § 4-445(c).

### **1. Where or how do reports get submitted?**

Any licensees required to submit malt or brewed beverages sales reports to the Pennsylvania Liquor Control Board (“PLCB”) must do so using the online regulatory system, [PLCB+](#).

### **2. Is there a paper form that can be used for reporting?**

No. There is no paper form that can be used for reporting. Any licensee required to submit malt or brewed beverages sales reports to the PLCB must do so using the online regulatory system, [PLCB+](#).

### **3. What is the intent behind the reporting requirements?**

Since the reporting requirements are legislatively imposed, the PLCB is unaware of the exact intent of the reports. However, based on the language within the law, it appears that the intent is to capture where sales of malt or brewed beverages are occurring within Pennsylvania. Presumably, this will allow interested persons or businesses to identify how malt or brewed beverages products are flowing through the three-tier system and possibly even determine if territorial rights agreements are being violated.

#### **4. Who is required to report?**

Pursuant to section 445(c), “any person selling malt or brewed beverages at wholesale” and “any person selling at retail malt or brewed beverages that were not sold at wholesale” is required to report such sales. The specific license types that must report and the sales that must be reported by each are addressed in the questions that follow.

#### **5. Are brewery (G) licensees required to report? If so, what sales must be reported?**

Yes. Brewery licensees are required to report.

- Brewery licensees must report any sales of malt or brewed beverages made at wholesale (i.e., sales to any other licensees or permittees), regardless of whether such sales occur at their main brewery location or their brewery storage-licensed locations.
- Brewery licensees must also report any retail sales (i.e., direct sales to non-licensed consumers) of malt or brewed beverages which they produce, regardless of whether such sales occur at their main brewery location, their brewery pub-licensed premises, their brewery storage-licensed locations, or another permitted location, because such products were not previously sold at wholesale in Pennsylvania. This includes sales made for off-premises consumption and sales made for on-premises consumption.
- Brewery licensees do not need to report sales of malt or brewed beverages produced by other manufacturers.
- Brewery licensees do not need to report sales of malt or brewed beverages for distribution outside of Pennsylvania.

#### **6. Are alternating brewery (AG) licensees required to report? If so, what sales must be reported?**

Yes. Alternating brewery licensees are required to report.

- Alternating brewery licensees must report any sales of malt or brewed beverages made at wholesale to importing distributor licensees.
- Note that, pursuant to section 431.1 of the Liquor Code, 47 P.S. § 4-431.1, alternating brewery licensees are only authorized to sell malt or brewed beverages for distribution in Pennsylvania to importing distributor licensees; they have no authority to sell malt or brewed beverages at wholesale to licensees other than importing distributor licensees, and they have no authority to sell malt or brewed beverages at retail (i.e., direct sales to non-licensed customers).
- Alternating brewery licensees do not need to report sales of malt or brewed beverages for distribution outside of Pennsylvania.

**7. Are importing distributor (ID) licensees required to report? If so, what sales must be reported?**

Yes. Importing distributor licensees are required to report.

- Importing distributor licensees must report any sales of malt or brewed beverages made at wholesale (i.e., sales to any other licensees or permittees).
- Importing distributor licensees must also report any retail sales (i.e., direct sales to non-licensed consumers) of malt or brewed beverages, if the products sold were imported from outside Pennsylvania and were not previously sold at wholesale in Pennsylvania.
- Importing distributor licensees are not required to report retail sales of malt or brewed beverages in instances where the products sold were obtained at wholesale from another importing distributor licensee or an in-state manufacturer.

**8. Are distributor (D) licensees required to report? If so, what sales must be reported?**

Yes. Distributor licensees are required to report.

- Distributor licensees must report any sales of malt or brewed beverages made at wholesale (i.e., sales to any other licensees or permittees).
- Distributor licensees do not need to report retail sales (i.e., direct sales to non-licensed consumers) of malt or brewed beverages because such products were previously sold at wholesale in Pennsylvania.

**9. Are retail licensees, such as restaurant liquor (R) licensees, hotel liquor (H) licensees, club liquor (C) licensees, catering club liquor (CC) licensees, and eating place retail dispenser (E) licensees, required to report?**

No. Retail licensees, such as restaurant liquor licensees, hotel liquor licensees, club liquor licensees, catering club liquor licensees, and eating place retail dispenser licensees, are not required to report sales of malt or brewed beverages because sales by such licensees are always to non-licensed consumers, and the products being sold are always subject to a wholesale transaction in Pennsylvania prior to reaching such licensees.

**10. Are sales of malt or brewed beverages made from a brewery pub (GP)-licensed premises required to be reported?**

Yes. Brewery licensees must report any retail sales (i.e., direct sales to non-licensed consumers) of malt or brewed beverages which they produce, regardless of where the sales occur.

**11. Are sales of malt or brewed beverages made from a brewery storage (GS)-licensed premises required to be reported?**

Yes. Brewery licensees must report any sales at wholesale (i.e., sales to any other licensees or permittees) and any retail sales (i.e., direct sales to non-licensed consumers) of malt or brewed beverages which they produce, regardless of where the sales occur.

**12. Are limited distillery (AL) licensees, distillery (A) licensees, or limited winery (LK) licensees required to report sales of malt or brewed beverages for on-premises consumption?**

No. While limited distillery licensees, distillery licensees, and limited winery licenses are permitted to sell malt or brewed beverages produced by brewery licensees to non-licensed customers for on-premises consumption subject to certain limitations, such sales do not need to be reported because they are to non-licensed consumers, and the products being sold are always subject to a wholesale transaction in Pennsylvania prior to reaching such licensees.

**13. Are out-of-state manufacturers required to report?**

No. Out-of-state manufacturers are not required to report. Importing distributors are responsible for reporting any sales of malt or brewed beverages that were manufactured outside of Pennsylvania but distributed for sale within Pennsylvania.

**14. Are direct malt or brewed beverage shipper licensees required to report?**

Direct malt or brewed beverage shipper licensees are not required to file reports under section 445(c) of the Liquor Code, 47 P.S. § 4-445(c). However, direct malt or brewed beverage shipper licensees are required to report to the PLCB “each year the total of malt or brewed beverages shipped to residents of this Commonwealth in the preceding calendar year,” pursuant to section 448(d)(1) of the Liquor Code, 47 P.S. § 4-448(d)(1).

**15. What is the time period for which sales must be reported?**

Sales must be reported for each calendar month.

**16. By when do sales need to be reported?**

Sales for each calendar month must be reported no later than sixty days after the end of the calendar month for which sales are being reported.

**17. Must the sales reported be broken down by brewer or by brand?**

Sales must be reported by brewer. In other words, if an importing distributor licensee sells multiple brands of malt or brewed beverages produced by the same manufacturer, the importing distributor licensee would be required to report one number relative to all malt or brewed beverages made by that manufacturer, as opposed to reporting separate numbers for each of the brands.

**18. What if the brewer of a particular brand is not known by the licensee who is required to report?**

If the brewer of a particular brand is not known by the licensee who is required to report, this information can be ascertained by using the “Search for Registered Brands” tool available through the PLCB’s online regulatory system, [PLCB+](#).

**19. In what volumes must sales be reported?**

Sales must be reported in thirty-one-gallon barrel equivalents, regardless of package size.

**20. What if a licensee who is required to report sells malt or brewed beverages by the case, by the bottle, or by the glass? Can the licensee report these sales in ounces?**

No. Sales must be reported in thirty-one-gallon barrel equivalents, regardless of package size. Therefore, if sales are made in containers or packages measured in ounces, the volumes would need to be converted to thirty-one-gallon barrel equivalents for purposes of reporting.

There are various tools available on the Internet that may assist licensees in making liquid volume conversion calculations. Licensees choosing to use such tools should be careful to comply with the terms of use for any such tools and should take appropriate steps to ensure the accuracy of the same.

Certain conversion information may also be found within the federal regulations governing federal taxes on alcoholic beverages, specifically 27 C.F.R. §§ 25.156 – 25.158, which are accessible through the [Alcohol and Tobacco Tax and Trade Bureau](#) website.

**21. What if a licensee who is required to report has sales of malt or brewed beverages produced by a particular brewer that total less than a full thirty-one-gallon barrel? Should the licensee report the exact amount, or is it acceptable to approximate or guess?**

If a licensee who is required to report has sales of malt or brewed beverages produced by a particular brewer that total less than a full thirty-one-gallon barrel, the licensee should calculate and report the exact amount, even if it is a fraction of a full barrel amount. If at all possible, licensees should avoid approximating or guessing when reporting. Note, however, that some rounding may be required because of text box size limits in PLCB+.

**22. What if a licensee required to report has not made any sales of malt or brewed beverages during a particular calendar month?**

If a licensee who is required to report has not made any sales of malt or brewed beverages during a particular calendar month across all brewers, such licensee must report that no sales were made. This will help to eliminate any possible confusion as to whether a licensee has failed to report, or simply had no reportable sales.

**23. If erroneous information is reported, can it subsequently be corrected?**

Yes, subject to some limitations. All reports must be filed using the online regulatory system, [PLCB+](#). Reports can be corrected by users within PLCB+ for a certain period of time (no more than thirty days) after a report is initiated. After that time, the information submitted will be locked and cannot be edited by users. In order for any additional corrections to be made, users must submit an e-mail containing the appropriate information to [ra-lblicensingmod@pa.gov](mailto:ra-lblicensingmod@pa.gov), and PLCB staff will need to manually input the corrections.

**24. Do the reports required under Act 166 replace the current reports that must be filed with the Department of Revenue?**

No. The reports required under Act 166 do not replace any reports that must be filed with the Department of Revenue for tax purposes. Licensees who are required to file reports with the Department of Revenue for tax purposes must continue doing so.