

City of Baltimore
Beverage Container Tax
Rules and Regulations
City of Baltimore



**Beverage Container Tax
Rules and Regulations**

Department of Finance

July 9, 2010

The distributor shall remit to the Baltimore City Director of Finance the tax along with a monthly report of all containers distributed. Initially, a single pre-printed report form will be mailed to registered distributors. Distributors should use a copy of this form to file the monthly tax report. Optionally, a distributor may download a blank form from the City web site.

An extension for the initial report and payment due on August 25, 2010 for the July 28-July 31, 2010 reporting period will be granted if the City receives a written request from the distributor prior to August 25, 2010, which includes its name,

Rec'd 07/12/10

City of Baltimore
Beverage Container Tax
Rules and Regulations

Adopted by authority of Article 28, Section 20-11 of Baltimore City Code
as last amended by Ordinance 10-343
July 9, 2010

1. **Effective** July 25, 2010, beverages distributed in the City of Baltimore shall bear a two-cent tax. Beverages subject to this tax include but are not limited to:
 - a. Beer, ale, or other malt beverage;
 - b. Distilled spirits;
 - c. Wine, wine cooler or other wine product;
 - d. Fruit drinks with less than 10% natural juice;
 - e. Ready-to-drink tea;
 - f. Soda water, carbonated water, natural or artificial mineral water, or natural or spring water;
 - g. Soft drinks including cola, ginger ale, root beer, sarsaparilla or any other carbonated or un-carbonated beverage commonly known as a "soft drink."
2. A "soft drink" is defined as any beverage, except water, that does not contain alcohol.
3. **Exclusions**-Beverage containers meeting the following conditions are excluded from the beverage container tax:
 - a. Dairy products,
 - b. Non-dairy milk substitutes such as soy milk, hazelnut milk, other nut, rice or other grain milk,
 - c. A beverage containing at least 10% natural fruit juice and,
 - d. Two liter or larger beverage containers
4. **Tax Due**- This tax is due when the dealer/retailer receives the beverage containers and must be paid on or before the 25th day of the month following the month in which the dealer received the product.
 - a. The distributor shall remit to the Baltimore City Director of Finance the tax along with a monthly report of all containers distributed. Initially, a single pre-printed report form will be mailed to registered distributors. Distributors should use a copy of this form to file the monthly tax report. Optionally, a distributor may download a blank form from the City web site.
 - b. An extension for the initial report and payment due on August 25, 2010 for the July 25-July 31, 2010 reporting period will be granted if the City receives a written request from the distributor prior to August 25, 2010, which includes its name,

8. **Record Keeping** - Distributors and dealers (retailers) must keep complete and accurate records of all transactions involving non-reusable beverage containers including all source documents such as orders, invoices and delivery documents which support the organization's general accounting system. These records are to be made available at all times during business hours for inspection and audit by the City.

a. All beverage distributors (including dealers who distribute beverages) distributing beverages in the City of Baltimore shall apply to the Baltimore Finance Department for a taxpayer identification number. The taxpayer identification number shall uniquely identify each eligible distributor.

b. Upon delivery of taxed beverages, distributors will provide dealers/retailers with a certification of taxes paid in a form approved by the City of Baltimore.

c. Distributors shall retain a copy of each certification provided to a dealer and the certifications shall be supported by the distributor's orders, invoices and delivery documents for beverage containers delivered in the City.

d. Instead of listing individual items on the tax certificate, the distributor may reference by number a specific invoice or shipping document, if that document clearly delineates taxable goods. A copy of the reference document must be attached to the tax certificate.

e. Dealers/retailers shall not accept delivery of any taxable beverage container unless they also receive a certification of taxes paid in a form approved by the City of Baltimore. The certification shall be supported by the dealer's order, invoice and delivery documents for beverages purchased.

f. Distributors and dealers must keep all records for the same period that is required for federal tax purposes.

g. Multiple-outlet retailers and distributors with centralized offices located outside of the City shall produce records within 72 hours of a request.

h. The monthly tax report, filed by the distributor shall equal tax certificates provided retailers. The monthly report shall be signed by an authorized representative.

9. **Penalties** -Penalties for failure to comply with Baltimore City Ordinance 10-343 and these Rules and Regulations include the following:

a. Late payments will be subject to:

1) 10% penalty of the amount of tax due and,

2) 1% per month interest charge for each month or fraction thereof that the tax is overdue.

b. Additional penalties may be assessed including:



Sample Monthly Report

Application Baltimore City Taxpayer Identification Number



Date: _____

- Reason for Tax Identification Number: ***Beverage Container Tax Distributor***
- Old Taxpayer ID: _____

Current Address

Distributor: _____

Representatives Name: _____

Address: _____

Address: _____

City: _____ State: _____ Zip code: _____

Phone: (____) _____ - _____ Fax: (____) _____ - _____

E-mail: _____ @ _____

Prior Address

Distributor: _____

Representatives Name: _____

Address: _____

Address: _____

City: _____ State: _____ Zip code: _____

Return to:

City of Baltimore
 Revenue Collections
 Tax ID Request
 200 N. Holliday St
 Baltimore, MD 21202

Sample Monthly Report



CITY OF BALTIMORE

DEPARTMENT OF FINANCE
 BUREAU OF TREASURY MANAGEMENT
 COLLECTION DIVISION
 MISCELLANEOUS TAX/LICENSE UNIT
 200 HOLLIBAY STREET
 BALTIMORE, MARYLAND 21202-3003

THIS RETURN MUST BE FILED BY THE
 25TH OF THE NEXT SUCCEEDING
 MONTH FOR WHICH THE TAX IS DUE.
 TAXPAYER MUST FILE RETURN EVEN
 IF NO TAX IS DUE.

MAKE CHECK OR MONEY
 ORDER PAYABLE TO
 DIRECTOR OF FINANCE

BEVERAGE CONTAINER

RETURN
 FOR MONTH OF

J. P. FOODSERVICE, INC. ACCTS PAYABLE/STACY THOMAS 8024 TELEGRAPH RD., P.O. BX SEVERN MD 21144 LOCATION: 8024 TELEGRAPH RD., P.O. BX 728	CITY TAX ID: C-001-000
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July

2010

YEAR

BASIS	TOTAL ORDERS	LESS EXEMPT	TAXABLE ORDERS	TAX RATE	TOTAL TAX COLLECTED & DUE
All Szs				\$0.02	

I DECLARE UNDER PENALTY OF PERJURY THAT THIS RETURN (INCLUDING ANY ACCOMPANYING STATEMENTS) HAS BEEN PREPARED FROM COMPANY RECORDS AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IS A TRUE, CORRECT AND COMPLETE RETURN.

TAX DUE \$

INTEREST

PENALTY

TOTAL DUE

TAX, INTEREST AND PENALTY

SIGNED _____ DATE _____
 TITLE _____

BEVERAGE CONTAINER

RETURN
 FOR MONTH OF

J. P. FOODSERVICE, INC. ACCTS PAYABLE/STACY THOMAS 8024 TELEGRAPH RD., P.O. BX 728 SEVERN MD 21144 LOCATION: 8024 TELEGRAPH RD., P.O. BX 728	CITY TAX ID: C-001-000
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July

2010

YEAR

TAX DUE \$

INTEREST

PENALTY

TOTAL DUE

TAX, INTEREST AND PENALTY

Contact: Collection Division
396-3983

BEVERAGE CONTAINER TAX

9 RULES AND REGULATIONS

ADOPTED UNDER THE AUTHORITY OF SECTION 91 OF ARTICLE 28
Of the Baltimore City Code as last amended by Ordinance #313
Approved June 26, 1989

There is hereby imposed a tax to be paid and collected as hereinafter provided upon every distributor who supplies to a dealer in Baltimore City non-reusable beverage containers..., at the rate of 2 cents upon each non-reusable beverage container which has a normal capacity up to and including sixteen (16) fluid ounces, and 4 cents upon each non-reusable beverage container which has a normal capacity in excess of sixteen (16) fluid ounces.

If any dealer shall transport or cause to be transported into Baltimore City such non-reusable beverage containers, that dealer shall be liable for the payment of the tax imposed under this section unless that dealer obtains from the supplier of such containers a written certification in a form approved by the Director that the supplier is liable for and is paying the tax.

Any person or other legal entity liable for payment of the tax, shall file a monthly report and remit to the Director of Finance all taxes due for the previous calendar month, by the 25th day of the succeeding month.

If any person liable for this tax shall fail or refuse to remit the tax required to be paid hereunder, or to make a proper return to the Director of Finance, in the amount specified herein, and within the time specified therefore by the Director that person shall be liable for the payment of interest at the rate of one percent per month or fraction thereof on the amount of the tax due for each month or portion thereof commencing with the date on which the tax is due. Such person shall also be liable for the payment of penalty of ten percent of the amount of the tax due excluding interest. Any interest and penalty due hereunder shall be collected in addition to the amount of the basic tax liability.

Every person or other legal entity who shall violate any of the provisions of this subtitle or any of the rules or regulations made hereunder by the Director of Finance, shall be guilty of a misdemeanor and upon conviction thereof by a court of competent jurisdiction, shall be subject to a fine of not more than \$1,000 for each offence or imprisoned not more than six (6) months, or both, for each offence.

The tax, interest and penalty imposed under this subtitle shall be a lien upon the property of any person or other legal entity liable to pay the tax or penalty to the City.

BEVERAGE CONTAINER TAX

RULES AND REGULATIONS

ADOPTED UNDER THE AUTHORITY OF SECTION 21 OF ARTICLE 21
OF THE BALTIMORE CITY CODE AS LAST AMENDED BY
APPROVED DATE 10/1/97

There is hereby imposed a tax to be paid and collected as hereinafter provided upon every distributor who supplies to a retailer in Baltimore City beverage containers, at the rate of 2 cents upon each beverage container sold or delivered, and a normal liability to be assessed upon each retailer who sells or delivers such beverage containers to a consumer, and a license shall be required of each retailer who sells or delivers such beverage containers in excess of fifteen (15) fluid ounces.

If any retailer shall transport or cause to be transported into Baltimore City any beverage container, that retailer shall be liable for the payment of the tax imposed under this section unless that retailer shall have the approval of such containers in a form approved by the Director and the supplier is liable for and is paying the tax.

Any person or other legal entity liable for payment of the tax shall file a monthly report and remit to the Director of Finance all taxes due for the previous calendar month, by the 15th day of the succeeding month.

If any person liable for this tax shall fail or refuse to remit the tax deemed to be paid hereunder, or to make a proper return to the Director of Finance, in the amount specified hereunder, and within the time specified hereunder to the Director that person shall be liable for the payment of interest at the rate of one percent per month or fraction thereof on the amount of the tax due for each month or portion thereof commencing with the date on which the tax is due. Such person shall also be liable for the payment of penalty of ten percent of the amount of the tax due excluding interest. Any interest and penalty due hereunder shall be collected in addition to the amount of the said tax liability.

Every person or other legal entity who shall violate any of the provisions of this article or any of the rules or regulations made hereunder by the Director of Finance shall be guilty of a misdemeanor and upon conviction thereof by a court of competent jurisdiction, shall be subject to a fine of not more than \$1,000 for each offense or imprisoned not more than six (6) months, or both, for each offense.

The tax imposed and penalty provided under this article shall be a lien upon the property of any person or other legal entity liable to pay the tax or penalty to the City.