



SOURCE Board Action

SUMMARY Amend Business and Professions Code (BPC) section 23671 to require electronic filing of beer vendor reports, consistent with corresponding electronic filing requirements in the Revenue and Taxation Code (RTC) for alcoholic beverage licensees, common and private carriers, and other persons.

EXISTING LAW

RTC section 32452 states that in addition to any other reports required for the administration of the Alcoholic Beverage Tax (ABT), the State Board of Equalization (BOE) may, by rule and otherwise, require additional, other, or supplemental reports from alcoholic beverage licensees, common and private carriers, and other persons and prescribe the form, including verification, of the information to be given on, and the times for filing of, such additional, other, or supplemental reports. The failure or refusal of any person to render the reports required under this section is a misdemeanor.

RTC 32452 was updated by Senate Bill 1528 (Stats. 2024, ch. 499) (SB 1528) to clarify that electronic filing of “schedules” is also required under RTC 32452.

The authority to require a beer vendor report under the ABT tax program resides in Business and Professions Code (BPC) Section 23671, while the procedural requirements for filing ABT reports and schedules reside in various RTC sections, including section 32452.

CODE SECTIONS TO AMEND

BPC Section 23671.

IDENTIFICATION OF PROBLEM

The authority to require a beer vendor report under the alcoholic beverage tax program resides in the Business and Professions Code (BPC) 23671.

SB 1528, which was amended from the preceding legislative session to require the filing of electronic schedules for ABT licensees, recently updated this requirement. However, a conforming update to BPC Section 23671 was overlooked and not included in the bill’s statutory update.



PROPOSED SOLUTION

Amend BPC section 23671 to clarify that beer vendor reports must be submitted via “electronic media” consistent with electronic filing requirements for ABT informational reports and schedules in RTC section 32452.

JUSTIFICATION

Without legislative action, the method of report filing required of beer vendors could be ambiguous, potentially leading to report processing delays.

PROGRAM BACKGROUND/LEGISLATIVE HISTORY

Article 20, section 22 of the California Constitution requires the BOE to administer the ABT. Through an Interagency Agreement (IAA), the California Department of Tax and Fee Administration (CDTFA) collects the tax and administers certain administrative functions of the ABT program on behalf of and in cooperation with and oversight by the BOE.

Effective January 1, 2023, Senate Bill 518 (Stats. 2022, ch. 702) (SB 518) amended RTC section 32251 to require that all sellers of beer, wine, or distilled spirits electronically file tax returns and related schedules relating to the calculation of taxes due. However, SB 518 did not require that supplemental reports and informational schedules required for these same returns also be filed electronically.

SB 1528 amended RTC sections 32202 and 32452 to include electronic filing of the supplemental reports and informational schedules.

ARGUMENTS PRO AND CON

Pros

- Efficient program administration and consistent statutory references and requirements in corresponding code sections.
- Improved clarity in the Business and Professions Code.

Cons

- None known.

PROBABLE SUPPORT AND OPPOSITION

Unknown



OTHER EXTERNAL PARTIES THAT MAY BE AFFECTED

California Department of Tax and Fee Administration (CDTFA)

FISCAL IMPACT (If known)

None anticipated.

DRAFT LANGUAGE

23671.

No beer importer shall purchase any beer not manufactured within the state or cause any beer to be transported into the state for sale in the state, unless the out-of-state vendor making shipment of the beer into the state holds a certificate of compliance issued by the department. A certificate of compliance shall be granted when the out-of-state vendor makes a written agreement with the department to furnish to the board, on or before the 10th day of each month, a report on a form prescribed by the board and filed using electronic media, showing the quantity of beer shipped by the out-of-state vendor to each licensed beer importer in this state during the preceding month. The out-of-state vendor shall further agree that it and its agents and all agencies within this state controlled by it will comply with all laws of this state and all rules of the department with respect to the sale of alcoholic beverages, including, but not limited to, Chapter 12 (commencing with Section 25000) of Division 9, and Section 25509, to the same extent as licensees.

If any out-of-state vendor, after obtaining the certificate, fails to submit the report or to comply with Section 14575 of the Public Resources Code, the department may suspend or revoke the certificate of compliance in the manner provided for the suspension or revocation of licenses, and after a hearing which shall be held in the City of Sacramento or in any other county seat in this state which the department determines to be convenient to the holder of the certificate. No fee shall be charged for the certificate of compliance which shall remain in effect until revoked by the department.