

**Revenue Information Bulletin No. 23-021**

**August 4, 2023**

**Excise Tax**

**Notification of Reporting Requirements for Self-Distribution by a Manufacturing Distiller  
Effective August 1, 2023**

Act 127 of the 2023 Regular Session of the Louisiana Legislature enacted La. R.S. 26:2(35), (36), and (37), 71(A)(1)(c), 82.1, and 90.1 and amended La. R.S. 26:142 to provide for the self-distribution of distilled alcoholic liquors (“product”) by a manufacturing distiller who meets the specific requirements outlined below.

**Reporting Requirement**

Manufacturing distillers that self-distribute are responsible for remitting excise taxes on all self-distributed products. The tax must be reported and paid monthly on Form R-5618, *Alcoholic Beverage Tax Return*.

**Self-Distribution Requirements**

Louisiana Revised Statute 26:82.1(A) provides that a manufacturing distiller is eligible to self-distribute product if it meets the following qualifications:

1. Operates a manufacturing distillery located entirely in Louisiana;
2. Produces less than 4,000 gallons of product annually at the manufacturing distillery; and,
3. Holds both an in-state manufacturing distillery permit and a distillery self-distribution permit issued pursuant to La. R.S. 26:71.

A manufacturing distiller meeting the qualifications above may obtain a self-distribution permit if it:

1. Does not have an existing distribution agreement with a permitted wholesale dealer;
2. Owns or leases warehouse space that is maintained in a separate area from the distillation equipment;
3. Owns or leases delivery equipment dedicated for the primary use of distribution and delivery of only those products distilled at the manufacturing distillery;
4. Remits all excise and other applicable taxes on the product distilled at its manufacturing distillery that are self-distributed; and,
5. Provides a monthly report of all sales from the manufacturing distillery and all sales from self-distribution to the Louisiana Office of Alcohol and Tobacco Control (ATC).

Louisiana Revised Statute 26:142 was amended to provide that a manufacturing distiller who operates a manufacturing distillery in Louisiana and self-distributes its product pursuant to the requirements of La. R.S. 26:82.1 is not required to distribute its products through a licensed Louisiana wholesale dealer. Pursuant to La. R.S. 26:82.1(D), a manufacturing distiller may enter into a distribution agreement with a permitted wholesale dealer or make application for a self-distribution permit, but may not do both. A manufacturing distiller who engages in self-distribution is required to be permitted with ATC. Pursuant to La. R.S. 26:71(A)(1)(c), the annual self-distribution permit fee is \$1,500. After being permitted with ATC, a manufacturing distiller may self-distribute product to a retailer holding a Class A permit issued pursuant to La. R.S. 26:71.1, a Class B permit issued pursuant to La. R.S. 26:71, or a Class C permit issued pursuant to La. R.S. 26:71.2. The manufacturing distillery is prohibited from self-distributing more than 4,000 gallons of product to all retailers annually. The product must be offered at a standard price to all retailers.

Additionally, Act 127 provides that a manufacturing distillery may lease its facility at a reasonable fee for contracted private events, not to exceed 12 per year. Only a caterer holding a permit issued by ATC can serve food and alcoholic beverages not distilled at the facility to guests of the contracted private event. A copy of the lease must be provided to ATC at least 10 days before the event. The manufacturing distillery may serve product distilled at its facility and charge no more than its standard price for the product.

Questions concerning the return and schedule should be directed to the Louisiana Department of Revenue's Taxpayer Compliance-Sales, Severance, Excise and Withholding Tax Unit at [Excise.Inquiries@LA.gov](mailto:Excise.Inquiries@LA.gov). Questions concerning the self-distribution permit and leasing the distillery for contracted private events should be directed to the Louisiana Office of Alcohol and Tobacco Control at (225) 925-4041.

**Kevin J. Richard, CPA**  
**Secretary**