

Practice Update

TTB Postpones Payments on Excise Taxes and Other Submissions During Coronavirus

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Alcoholic beverage businesses are getting a small break from the Alcohol and Tobacco Tax and Trade Bureau (TTB). On March 31, 2020, TTB announced that they will be postponing the payment due date for certain excise taxes as well the due date for many returns, reports, claims, or other submissions that they regularly require.

This applies to required submissions with an original due date on or after March 1, 2020 through July 1, 2020 and postpones any deadlines to 90 days after the original due date.

Here is a quick list of the postponed submissions:

Submission

Federal Excise Taxes on:

Wine
Beer
Distilled Spirits
Tobacco Products
Cigarette Papers and Tubes
Firearms
Ammunition

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Federal Excise Tax Returns

Monthly, Quarterly, or Annual Operational Returns

Claims for Credit or Refund by Producers

Claims for Drawback by Manufacturers of Non-Beverage
Products

Export Documentation

TTB has also announced that applications for emergency variations from regulatory requirements due to the COVID-19 pandemic will still be considered on a case-by-case basis. Industry members may request to use reasonable alternative methods and/or procedures outside of the typical regulatory requirements which may assist with continued operations or assist in resuming operations if the business was forced to temporarily close down.

Penalties should be waived for the period of the postponement, however we would strongly encourage industry members to check their accounts with the TTB to ensure that penalties are not imposed and/or do not accrue. In some cases, if the penalty was already applied prior to the announcement of the postponement of the deadlines, industry members may need to request specific relief from TTB.

Some of these submissions are due on a monthly basis, while others may be due quarterly, annually, or within a prescribed time period after a certain act has occurred. We encourage all industry members to take a look at what deadlines they have coming up in

the next several months, and also note which deadlines may fall outside of this grace period.

During this time, TTB will continue to process submissions, including claims for credits or refund, however, as with most agencies, online submissions are highly encouraged during this time to assist with faster processing and to help reduce delays that may be caused if offices are forced to completely close for any period of time.

While this will be welcome news for many, it is important to remember that this is only delaying required payments and submissions and, even after July 1, many industry members may still be facing the temporary closure of their business or other disruptions caused by the COVID-19. Industry members may also be facing larger tax bills in 90 days if they have to pay previously owed taxes in addition to new tax payments that will be due in a few months at the same time. Especially as many may still be facing cash flow issues as communities and businesses recover from the economic harm caused by the COVID-19 shut downs. We will continue to provide updates to our clients as agencies at the federal, state, and local levels provide more information and accommodations for industry members.

Resources:

- [TTB Industry Circular, March 31, 2020](#)
- [TTB Attachment “Postponed 2020 Due Dates for Paying Excise Taxes and Filing Returns with TTB due to COVID-19”](#)
- [Link to TTB Attachment “Postponed 2020 Due Dates for Filing Operational Reports with TTB Due to COVID-19”](#)

This information is intended to inform firm clients and friends about legal developments, including recent decisions of various courts and

administrative bodies. Nothing in this Practice Update should be construed as legal advice or a legal opinion, and readers should not act upon the information contained in this Practice Update without seeking the advice of legal counsel. Prior results do not guarantee a similar outcome.