



Department of Taxation and Finance

Important

The Alcoholic Beverages Tax information in this document is outdated and provided only for historical purposes.

For up-to-date information, see [Alcoholic beverages tax](#).

This TSB-M begins on page 2 below.

**Beer Eligible for the New York State Brewers' Exemption Not Subject
to the Floor Tax on Inventory Held on May 1, 2009**

As explained in TSB-M-09(3)M, *New York State Tax on Beer and Wine to Increase May 1, 2009*, beer and wine held in inventory at the beginning of business on **May 1, 2009**, are subject to a special floor tax. Floor tax returns must be filed by July 20, 2009. For complete details, see TSB-M-09(3)M, available at the Tax Department's Web site (www.nystax.gov).

Beer eligible for the New York State brewers' exemption

Section 424(6) of the Tax Law provides an exemption from the excise tax on beer that applies to certain brewers on the first 6.2 million gallons of beer brewed and sold in New York State in each calendar year (the *New York State brewers' exemption*).

Beer held in inventory on May 1, 2009, by wholesalers, retailers, and other sellers of beer on which the tax was not imposed because of the New York State brewers' exemption is not subject to the floor tax. All beer sellers may presume that beer held in inventory is not subject to the floor tax provided that **both** of the following criteria are met:

- The beer was brewed in New York State, and
- The brewer's principal executive office is located in New York State.

If you are not sure whether any beer in your inventory was sold under the New York State brewers' exemption, contact your supplier or the brewer directly.

Include any beer that does **not** meet the criteria for the exemption on line 1, *Beer inventory*, on Form MT-70, *Alcoholic Beverage Floor Tax Return - Beer and Wine*. Attach a separate schedule providing a breakdown of the beer in inventory that is subject to the floor tax and the beer that is not subject to tax because of the New York State brewers' exemption.

NOTE: A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.