

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY

Alcoholic Beverage Tax:

Statistical Report
Calendar Years 2015–2017



Office of Revenue and Economic Analysis

August 1, 2021

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Introduction

This report provides Alcoholic Beverage Tax (ABT) statistical information to the public. The data are extracted and compiled from the ABT forms for calendar years 2015 to 2017.⁽¹⁾ This is the first issuance of the ABT statistical report by the New Jersey Department of the Treasury.

The report highlights that ABT revenue has been relatively stable, growing by just 1% or less annually. As excise tax rates have not changed since FY2010, the slight rise in revenue may be attributed to a slow but steady increase in liquor consumption.

The ABT is imposed on liquor, wine, beer, and apple cider. The rate is imposed on each gallon sold in the state at the following rates.⁽²⁾

Liquor.....	\$5.50
Wine (Still, Vermouth and Sparkling Wines).....	\$0.875
Beer and Malt Beverages.....	\$0.12
Apple Cider:	
3.2%–7.0% alcohol by volume.....	\$0.15
Over 7.0% alcohol by volume.....	\$0.875 (taxed as sparkling wines)

The body of the report is made up of 10 tables, providing information recorded on the ABT forms aggregated by total revenue and returns by component: total liquor revenue and returns, total wine revenue and returns, total beer revenue and returns, and total apple cider revenue and returns.

Key results from the ABT returns:

- **Total revenue** — Total revenue was \$138.3 million in calendar year 2015, \$140.1 million in 2016, and \$141.6 million in 2017.
- **Percentage of revenue by alcoholic drink** —Liquor revenue contributes around 67% of the tax, wine generates 21% of the tax, beer contributes 11%, and apple cider generates 0.1%.
- **Liquor** —For calendar years 2015 to 2017, total liquor revenue was \$91.4 million, \$93.2 million, and \$95.2 million, respectively.
- **Wine** — Total wine revenue was approximately \$30.0 million per year for calendar years 2015 to 2017.
- **Beer** —Total beer revenue declined from \$16.6 million in calendar year 2015 to \$16.1 million in 2017.
- **Apple Cider** —Total revenue was approximately \$100 thousand for the calendar years 2015 to 2017.

⁽¹⁾ ABT webpage: <https://www.state.nj.us/treasury/taxation/prntalcohol.shtml>

⁽²⁾ New Jersey Division of Taxation, 2016 Annual Report:
<https://www.nj.gov/treasury/taxation/pdf/annual/2016.pdf>

Total Revenue and Number of Returns by Component (Tables 1-5)

The ABT revenue is collected from licensed manufacturers, wholesalers, state beverage distributors, breweries, wineries, and distilleries.^{(3),(4)} Total ABT revenue and returns came from the following tax forms:

- Manufacturer's Tax Sales Report (R-1) Form: Line 10, "Net Taxable Sales" and Line 12, "Tax Due"
- Wholesaler's Tax Sales (R-2) Form: Line 15, "Net Taxable Sales" and Line 17, "Tax Due"
- Winery Manufacturer's Tax Sales (R-1-W) Form: Line 10, "Net Taxable Sales" and Line 12, "Tax Due"
- Brewery Manufacturer's Tax Sales (RB-1) Form: Line 1, "Taxable Sales Removed for Consumption etc.," and Line 3, "Tax Due"
- Retail Beverage Tax Report (R-27) Form: Line 11, "Tax Due Sales" and Line 13, "Tax Due and Payable Herewith"

Table 1 shows total revenue and the total number of distinct taxpayers who remitted ABT for calendar years 2015 to 2017. Table 2 shows ABT revenue by component. Table 3 includes the year-over-year percentage change. Table 4 shows the number of tax returns filed by category for calendar years 2015 to 2017, and table 5 includes year-over-year percentage change. Table 6 shows total revenue and returns by component. It includes the number of returns, share of returns, total revenue, share of revenue, and average payment. Note that there is an overlap in the number of tax returns because some taxpayers can file multiple returns to remit liquor, wine, beer, and or apple cider tax in a calendar year. Additionally, tables 4 and 6 show total returns filed bi-monthly, so the total number of returns is much larger than in table 1, which shows total distinct taxpayers.

⁽³⁾ New Jersey allows out-of-state wineries to sell directly to consumers in New Jersey. P.L. 2011, C. 207 permits out-of-state wineries to operate in the state: <https://www.state.nj.us/treasury/taxation/os-wine-sales.shtml>. New Jersey also allows smaller breweries and craft distillery to obtain a license and operate in the state. P.L. 2012, C.47 allows limited breweries to sell and distribute their products at the licensed premise starting September 19th, 2012. P.L. 2013, C.92 creates a craft distillery license and allows the manufacturer to sell distilled alcoholic beverages effective December 1, 2013. New Jersey Division of Taxation, 2013 and 2014 Annual Report: <https://www.state.nj.us/treasury/taxation/pdf/annual/2013.pdf>, <https://www.state.nj.us/treasury/taxation/pdf/annual/2014.pdf>

⁽⁴⁾ Alcohol sales to the armed forces personnel are exempt from the ABT. Additionally, alcohol sales for medical, dental, industrial, and other non-beverage uses are also not subject to the ABT.

The following tables display data by calendar years (January through December).

Table 1. Total Alcoholic Beverage Tax Revenue and Total Distinct Taxpayers, Year-Over-Year Percentage Change*

Year	Total Taxpayers	Year-Over-Year	Total Revenue	Year-Over-Year
2015	667	19%	\$138,292,078	0%
2016	751	13%	\$140,073,093	1%
2017	793	6%	\$141,603,813	1%

* Form R-1, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

* Form R-2, from line 15, "Net Taxable Sales" and Line 17, "Tax Due."

* Form R-1-W, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

* Form RB-1, from line 1, "Taxable Sales Removed for Consumption etc.," and Line 3, "Tax Due."

* Form R-27, from line 11, "Tax Due Sales" and line 13, "Tax Due and Payable Herewith."

Table 2. Total Alcoholic Beverage Tax Revenue by Component*

Year	Liquor	Wine	Beer	Apple Cider	Total Revenue
2015.....	\$91,406,363	\$30,193,880	\$16,589,591	\$102,244	\$138,292,078
2016.....	\$93,178,575	\$30,384,463	\$16,411,765	\$98,290	\$140,073,093
2017.....	\$95,167,962	\$30,193,596	\$16,132,162	\$110,094	\$141,603,813

* Form R-1, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

* Form R-2, from line 15, "Net Taxable Sales" and Line 17, "Tax Due."

* Form R-1-W, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

* Form RB-1, from line 1, "Taxable Sales Removed for Consumption etc.," and Line 3, "Tax Due."

* Form R-27, from line 11, "Tax Due Sales" and line 13, "Tax Due and Payable Herewith."

Table 3. Alcoholic Beverage Tax by Component, Year-Over-Year Percentage Change*

Year	Liquor	Wine	Beer	Apple Cider	Percentage Change
2015.....	1%	-2%	1%	15%	0%
2016.....	2%	1%	-1%	-4%	1%
2017.....	2%	-1%	-2%	12%	1%

* Form R-1, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

* Form R-2, from line 15, "Net Taxable Sales" and Line 17, "Tax Due."

* Form R-1-W, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

* Form RB-1, from line 1, "Taxable Sales Removed for Consumption etc.," and Line 3, "Tax Due."

* Form R-27, from line 11, "Tax Due Sales" and line 13, "Tax Due and Payable Herewith."

Table 4. Number of Alcoholic Beverage Tax Returns by Component*

Year	Liquor	Wine	Beer	Apple Cider	Total Returns
2015.....	584	1,985	629	134	3,332
2016.....	607	1,966	785	164	3,522
2017.....	676	2,061	888	161	3,786

*Number of filed returns in a category.

Table 5. Alcoholic Beverage Tax by Component, Year-Over-Year Percentage Change*

Year	Liquor	Wine	Beer	Apple Cider	Percentage Change
2015.....	11%	-1%	8%	23%	4%
2016.....	4%	-1%	25%	22%	6%
2017.....	11%	5%	13%	-2%	7%

*Number of filed returns in a category.

Table 6. N.J. R-1, R-2, R-1-W, RB-1 and R-27 Alcoholic Beverage Tax Returns by Component: Number of Returns, Percentage Share of Returns, Total Revenue, Percentage Share of Revenue, Average Payment

Total Revenue by Component	Number of Returns ⁽¹⁾	Share of Returns ⁽²⁾	Total Revenue ⁽³⁾	Share of Revenue ⁽⁴⁾	Average Payment ⁽⁵⁾
	(1)	(2)	(3)	(4)	(5)
2015					
Total.....	3,332	100%	\$138,292,078	100%	\$41,504
Liquor	584	18%	\$91,406,363	66%	\$156,518
Wine	1,985	60%	\$30,193,880	22%	\$15,211
Beer	629	19%	\$16,589,591	12%	\$26,375
Apple Cider	134	4%	\$102,244	0%	\$763
2016					
Total.....	3,522	100%	\$140,073,093	100%	\$39,771
Liquor	607	17%	\$93,178,575	67%	\$153,507
Wine	1,966	56%	\$30,384,463	22%	\$15,455
Beer	785	22%	\$16,411,765	12%	\$20,907
Apple Cider	164	5%	\$98,290	0%	\$599
2017					
Total.....	3,786	100%	\$141,603,813	100%	\$37,402
Liquor	676	18%	\$95,167,962	67%	\$140,781
Wine	2,061	54%	\$30,193,596	21%	\$14,650
Beer	888	23%	\$16,132,162	11%	\$18,167
Apple Cider	161	4%	\$110,094	0%	\$684

⁽¹⁾ Number of returns filed by category.

⁽²⁾ Percentage share of total returns calculated by dividing the component's number of returns by total number of returns.

⁽³⁾ Form R-1, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

⁽³⁾ Form R-2, from line 15, "Net Taxable Sales" and Line 17, "Tax Due."

⁽³⁾ Form R-1-W, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

⁽³⁾ Form RB-1, from line 1, "Taxable Sales Removed for Consumption etc.," and Line 3, "Tax Due."

⁽³⁾ Form R-27, from line 11, "Tax Due Sales" and line 13, "Tax Due and Payable Herewith."

⁽⁴⁾ Percentage share of total revenue calculated by dividing the component's revenue by total revenue.

⁽⁵⁾ Dividing Column 3 by Column 1 gives the average payment.

Total Liquor Revenue and Returns (Table 7)

Table 7 shows the total liquor revenue and returns. It includes the number of returns, share of returns, total revenue, share of revenue, and average payment. Note that the number of returns reflects the total filed bi-monthly. The information was extracted from R-1 (line 10 and line 12), R-2 (line 15 and line 17), and R-27 (line 11 and line 13) tax forms.

Table 7. N.J. R-1, R-2, and R-27 Monthly Alcoholic Beverage Tax, Liquor Returns: Number of Returns, Share of Returns, Total Revenue, Share of Revenue, Average Payment

Liquor Revenue	Number of Returns ⁽¹⁾	Share of Returns ⁽²⁾	Total Revenue ⁽³⁾	Share of Revenue ⁽⁴⁾	Average Payment ⁽⁵⁾
2015	(1)	(2)	(3)	(4)	(5)
Total	584	100%	\$91,406,363	100%	\$156,518
Jan/Feb	94	16%	\$10,198,810	11%	\$108,498
Mar/Apr.....	98	17%	\$14,497,533	16%	\$147,934
May/June.....	98	17%	\$19,464,085	21%	\$198,613
July/Aug.....	95	16%	\$13,311,688	15%	\$140,123
Sep/Oct.....	100	17%	\$15,217,996	17%	\$152,180
Nov/Dec.....	99	17%	\$18,716,251	20%	\$189,053
2016					
Total	607	100%	\$93,178,575	100%	\$153,507
Jan/Feb	97	16%	\$10,336,722	11%	\$106,564
Mar/Apr.....	97	16%	\$14,108,830	15%	\$145,452
May/June.....	100	16%	\$20,233,897	22%	\$202,339
July/Aug.....	98	16%	\$13,393,401	14%	\$136,667
Sep/Oct.....	106	17%	\$14,817,990	16%	\$139,792
Nov/Dec.....	109	18%	\$20,287,734	22%	\$186,126
2017					
Total	676	100%	\$95,167,962	100%	\$140,781
Jan/Feb	105	16%	\$10,519,905	11%	\$100,190
Mar/Apr.....	113	17%	\$14,744,754	15%	\$130,485
May/June.....	114	17%	\$20,154,557	21%	\$176,794
July/Aug.....	116	17%	\$13,974,204	15%	\$120,467
Sep/Oct.....	113	17%	\$15,700,317	16%	\$138,941
Nov/Dec.....	115	17%	\$20,074,225	21%	\$174,558

⁽¹⁾ Number of returns filed.

⁽²⁾ Percentage share of total returns calculated by dividing the monthly number of returns by total number of returns.

⁽³⁾ Form R-1, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

⁽³⁾ Form R-2, from line 15, "Net Taxable Sales" and Line 17, "Tax Due."

⁽³⁾ Form R-27, from line 11, "Tax Due Sales" and line 13, "Tax Due and Payable Herewith."

⁽⁴⁾ Percentage share of total total revenue calculated by dividing monthly revenue by total revenue.

⁽⁵⁾ Dividing Column 3 by Column 1 gives the average payment.

Total Wine Revenue and Returns (Table 8)

Table 8 shows the total wine revenue and returns. It includes the number of returns, share of returns, total revenue, share of revenue, and average payment. Note that the number of returns reflects the total filed bi-monthly. The information was extracted from R-1 (line 10 and line 12), R-2 (line 15 and line 17), R-1-W (line 10 and line 12), and R-27 (line 11 and line 13) tax forms.

Table 8. N.J. R-1, R-2, R-1-W, and R-27 Monthly Alcoholic Beverage Tax, Wine Returns: Number of Returns, Share of Returns, Total Revenue, Share of Revenue, Average Payment

Wine Revenue	Number of Returns ⁽¹⁾	Share of Returns ⁽²⁾	Total Revenue ⁽³⁾	Share of Revenue ⁽⁴⁾	Average Payment ⁽⁵⁾
2015	(1)	(2)	(3)	(4)	(5)
Total	1,985	100%	\$30,193,880	100%	\$15,211
Jan/Feb	323	16%	\$3,677,471	12%	\$11,385
Mar/Apr.....	331	17%	\$5,087,019	17%	\$15,369
May/June.....	330	17%	\$5,355,166	18%	\$16,228
July/Aug.....	326	16%	\$4,478,008	15%	\$13,736
Sep/Oct.....	336	17%	\$5,155,718	17%	\$15,344
Nov/Dec.....	339	17%	\$6,440,497	21%	\$18,999
2016					
Total	1,966	100%	\$30,384,463	100%	\$15,455
Jan/Feb	321	16%	\$3,682,781	12%	\$11,473
Mar/Apr.....	333	17%	\$5,023,324	17%	\$15,085
May/June.....	331	17%	\$5,785,391	19%	\$17,479
July/Aug.....	328	17%	\$4,323,605	14%	\$13,182
Sep/Oct.....	324	16%	\$4,964,195	16%	\$15,322
Nov/Dec.....	329	17%	\$6,605,168	22%	\$20,076
2017					
Total	2,061	100%	\$30,193,596	100%	\$14,650
Jan/Feb	335	16%	\$3,710,649	12%	\$11,077
Mar/Apr.....	342	17%	\$4,932,382	16%	\$14,422
May/June.....	351	17%	\$5,514,638	18%	\$15,711
July/Aug.....	343	17%	\$4,679,957	15%	\$13,644
Sep/Oct.....	343	17%	\$4,831,176	16%	\$14,085
Nov/Dec.....	347	17%	\$6,524,794	22%	\$18,803

⁽¹⁾ Number of returns filed.

⁽²⁾ Percentage share of total returns calculated by dividing the monthly number of returns by total number of returns.

⁽³⁾ Form R-1, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

⁽³⁾ Form R-2, from line 15, "Net Taxable Sales" and Line 17, "Tax Due."

⁽³⁾ Form R-1-W, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

⁽³⁾ Form R-27, from line 11, "Tax Due Sales" and line 13, "Tax Due and Payable Herewith."

⁽⁴⁾ Percentage share of total total revenue calculated by dividing monthly revenue by total revenue.

⁽⁵⁾ Dividing Column 3 by Column 1 gives the average payment.

Total Beer Revenue and Returns (Table 9)

Table 9 shows the total beer revenue and returns. It includes the number of returns, share of returns, total revenue, share of revenue, and average payment. Note that the number of returns reflects the total filed bi-monthly. The information was extracted from R-1 (line 10 and line 12), R-2 (line 15 and line 17), RB-1 (Line 1 and 3), and R-27 (line 11 and line 13) tax forms.

Table 9. N.J. R-1, R-2, RB-1 and R-27 Monthly Alcoholic Beverage Tax, Beer Returns: Number of Returns, Share of Returns, Total Revenue, Share of Revenue, Average Payment

Beer Revenue	Number of Returns ⁽¹⁾	Share of Returns ⁽²⁾	Total Revenue ⁽³⁾	Share of Revenue ⁽⁴⁾	Average Payment ⁽⁵⁾
2015	(1)	(2)	(3)	(4)	(5)
Total	629	100%	\$16,589,591	100%	\$26,375
Jan/Feb	98	16%	\$1,885,217	11%	\$19,237
Mar/Apr.....	98	16%	\$2,419,749	15%	\$24,691
May/June.....	102	16%	\$3,487,470	21%	\$34,191
July/Aug.....	108	17%	\$3,414,774	21%	\$31,618
Sep/Oct.....	107	17%	\$2,633,038	16%	\$24,608
Nov/Dec.....	116	18%	\$2,749,343	17%	\$23,701
2016					
Total	785	100%	\$16,411,765	100%	\$20,907
Jan/Feb	117	15%	\$1,922,042	12%	\$16,428
Mar/Apr.....	121	15%	\$2,470,909	15%	\$20,421
May/June.....	131	17%	\$3,504,725	21%	\$26,754
July/Aug.....	136	17%	\$3,400,577	21%	\$25,004
Sep/Oct.....	138	18%	\$2,464,991	15%	\$17,862
Nov/Dec.....	142	18%	\$2,648,521	16%	\$18,652
2017					
Total	888	100%	\$16,132,162	100%	\$18,167
Jan/Feb	142	16%	\$1,930,034	12%	\$13,592
Mar/Apr.....	147	17%	\$2,388,755	15%	\$16,250
May/June.....	148	17%	\$3,477,177	22%	\$23,494
July/Aug.....	149	17%	\$3,344,785	21%	\$22,448
Sep/Oct.....	149	17%	\$2,435,188	15%	\$16,344
Nov/Dec.....	153	17%	\$2,556,222	16%	\$16,707

⁽¹⁾ Number of returns filed.

⁽²⁾ Percentage share of total returns calculated by dividing the monthly number of returns by total number of returns.

⁽³⁾ Form R-1, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

⁽³⁾ Form R-2, from line 15, "Net Taxable Sales" and Line 17, "Tax Due."

⁽³⁾ Form RB-1, from line 1, "Taxable Sales Removed for Consumption etc.," and Line 3, "Tax Due."

⁽³⁾ Form R-27, from line 11, "Tax Due Sales" and line 13, "Tax Due and Payable Herewith."

⁽⁴⁾ Percentage share of total total revenue calculated by dividing monthly revenue by total revenue.

⁽⁵⁾ Dividing Column 3 by Column 1 gives the average payment.

Total Apple Cider Revenue and Returns (Table 10)

Table 10 shows the total apple cider revenue and returns. It includes the number of returns, share of returns, total revenue, share of revenue, and average payment. Note that the number of returns reflects the total filed bi-monthly. The information was extracted from R-2 (line 15 and line 17) and R-1-W (line 10 and line 12) tax forms.

Table 10. N.J. R-2, and R-1-W, Monthly Alcoholic Beverage Tax, Apple Cider Returns: Number of Returns, Share of Returns, Total Revenue, Share of Revenue, Average Payment

Apple Cider Revenue	Number of Returns ⁽¹⁾	Share of Returns ⁽²⁾	Total Revenue ⁽³⁾	Share of Revenue ⁽⁴⁾	Average Payment ⁽⁵⁾
2015	(1)	(2)	(3)	(4)	(5)
Total	134	100%	\$102,244	100%	\$763
Jan/Feb	21	16%	\$12,379	12%	\$589
Mar/Apr.....	21	16%	\$15,254	15%	\$726
May/June.....	22	16%	\$19,185	19%	\$872
July/Aug.....	21	16%	\$18,930	19%	\$901
Sep/Oct.....	25	19%	\$18,243	18%	\$730
Nov/Dec.....	24	18%	\$18,253	18%	\$761
2016					
Total	164	100%	\$98,290	100%	\$599
Jan/Feb	24	15%	\$11,627	12%	\$484
Mar/Apr.....	27	16%	\$13,755	14%	\$509
May/June.....	28	17%	\$18,302	19%	\$654
July/Aug.....	24	15%	\$17,143	17%	\$714
Sep/Oct.....	31	19%	\$17,877	18%	\$577
Nov/Dec.....	30	18%	\$19,585	20%	\$653
2017					
Total	161	100%	\$110,094	100%	\$684
Jan/Feb	27	17%	\$12,947	12%	\$480
Mar/Apr.....	28	17%	\$15,862	14%	\$566
May/June.....	28	17%	\$21,389	19%	\$764
July/Aug.....	25	16%	\$19,848	18%	\$794
Sep/Oct.....	27	17%	\$20,429	19%	\$757
Nov/Dec.....	26	16%	\$19,619	18%	\$755

⁽¹⁾ Number of returns filed.

⁽²⁾ Percentage share of total returns calculated by dividing the monthly number of returns by total number of returns.

⁽³⁾ Form R-1, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

⁽³⁾ Form R-2, from line 15, "Net Taxable Sales" and Line 17, "Tax Due."

⁽³⁾ Form R-1-W, from line 10, "Net Taxable Sales" and line 12, "Tax Due."

⁽³⁾ Form RB-1, from line 1, "Taxable Sales Removed for Consumption etc.," and Line 3, "Tax Due."

⁽³⁾ Form R-27, from line 11, "Tax Due Sales" and line 13, "Tax Due and Payable Herewith."

⁽⁴⁾ Percentage share of total total revenue calculated by dividing monthly revenue by total revenue.

⁽⁵⁾ Dividing Column 3 by Column 1 gives the average payment.