

# What distributors need to know.



## The Philadelphia Beverage Tax is coming.

- Starting on January 1, 2017, the city will impose a 1.5-cents-per-ounce tax on the distribution of sweetened beverages, as well as syrups and concentrates used to make sweetened drinks.
- Payment of the tax will be the responsibility of **distributors** of sweetened beverages. **Dealers** or retailers will only be held financially responsible if they do not buy from a registered distributor.
- You are a **distributor** if you are a business or entity that distributes wholesale to **dealers**, who in turn sell to consumers at the retail level.

## What does this mean for me?

- As a **distributor**, you are liable for payment of the Philly Bev Tax on the distribution of sweetened beverages to dealers located in Philadelphia.
- Registration is mandatory and will be available online starting November 2016. Once registered, you will be considered a **registered distributor**, and your name will be included on a list that **dealers** can use to find **distributors** who are registered.

## What does this mean for my dealers?

- If **dealers** opt to purchase from a nonregistered **distributor**, they must register to pay the tax themselves, or face fines and penalties.
- Because of this obligation, your registration status is an asset—especially in the early rollout phase of the Philly Bev Tax, when many distributors may still need to comply.

## QUICK GUIDE

### What do I need to do?

- Once registration begins in November 2016, you can go online to [PhillyBevTax.com](http://PhillyBevTax.com), where you'll find a link to register. **Distributors** are encouraged to register no later than December 31, 2016, to avoid any disruptions or additional costs. However, registering earlier may be a business asset.
- On every invoice to a Philadelphia dealer, you will need to include either:
  - the number of ounces of sweetened beverages distributed (and, for syrups and other concentrates, the amount of finished product based on the manufacturer's instructions)
  - OR-**
  - the amount of the tax
- The Philly Bev Tax will be due by the 20<sup>th</sup> of each month for the prior month. Your first payment will be due on February 20, 2017, for the full month of January. Filing and payment will be online.

### What should I tell my dealers?

- To help you communicate with your dealers on the new tax, a bill stuffer is included in this kit and can be found in printable form at [PhillyBevTax.com](http://PhillyBevTax.com), along with email language to include with your e-billing. Communicate with your current dealers as soon as possible so that both parties are aware of the coming changes and know what to expect.
- Make sure your dealers are aware that dealers have their own set of responsibilities regarding the tax and encourage them to go to [PhillyBevTax.com](http://PhillyBevTax.com) for more information.

Register by **December 31, 2016.**

**PHILLY  
BEV  
TAX IS HERE**

