

PHILADELPHIA BEVERAGE TAX INVESTIGATIONS: WHAT TO EXPECT



As a dealer of sweetened beverages, you'll occasionally be visited by Bev Tax investigators. This doesn't mean you've done anything wrong! Investigators just want to ensure that dealers are tax compliant.

HERE'S HOW IT WORKS:

INVESTIGATION

A Bev Tax investigator will arrive at your business and ask to see your Bev Tax documentation, which includes the following:

- **Pennsylvania Sales Tax exemption form**
- **Dealer Notification**—The notice you provided to your distributors that you sell sweetened beverages at retail in Philadelphia (may be your Pennsylvania Sales Tax exemption form).
- **Confirmation**—The response you received from your distributors confirming that they will be remitting the tax on your purchase from them.
- **Invoice**—Must indicate that the Philly Bev Tax was paid on the transaction.



VALID DOCUMENTS

If you have documents showing that the Bev Tax has been paid on what you have purchased—and those documents are determined to be valid—or you are a Registered or Special Dealer, **you're all set! The investigation ends here.**



OR



INVALID DOCUMENTS NO DOCUMENTS

If you don't have all required documents or have **invalid documents**, your Bev Tax compliance review will be rescheduled, and you will receive a written notification for a follow-up visit. When we visit you a **second time**, you **must be Bev Tax compliant**, or we'll take **further LEGAL ACTION**.

LEGAL ACTION

If your case is escalated to the **LEGAL ACTION** stage, the Law Department will send you an official notification, at which point you're required to take one of two actions:

- **Produce accurate records.**
- **Register for the tax, file missing tax returns and pay the Bev Tax.**

If you fail to comply, you will be assessed a \$1,000 noncompliance fine.

If you are found to be noncompliant a second time within two years, your **Commercial Activity License can be revoked, in which case you'd be required to cease operating your business until the license is restored.**

LANGUAGE ACCESS

Visit [PhillyBevTax.com/Dealers/Resources](https://www.phillybevtax.com/dealers/resources)

Encuentre información en su idioma.

Trouvez des informations dans votre langue.

귀하의 언어로 정보를 찾으십시오.

Tìm thông tin bằng ngôn ngữ của bạn.

Поиск информации на вашем языке.

查找您的語言信息

Encontre informações em seu idioma.

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