

**COMBINED MONTHLY RETURN OF  
LIQUOR TAX AND REPORT OF WINE  
GALLONS AND DOLLAR VOLUME OF  
TAXABLE SALES OR USES**

Place  
QR Code  
Here

Amended Return

<b>• PRINT OR TYPE •</b>	Name	Month Ending (MM-YY)
	DBA or C/O	County Liquor License No. (if applicable)
	Mailing Address (Number and Street)	Hawaii Tax I.D. No. (LQ or LN-###-###-####-##) <b>L _ -</b>
	City or town, State, and Postal/ZIP Code	Federal Employer I.D. No./Social Security No.

CATEGORIES OF LIQUORS AND SALES (a)	DOLLAR VOLUME (b)	WINE GALLONS (c)	TAX RATE (d)	TAX (c x d)
<b>1. Distilled Spirits:</b>				
Military .....				
All Others.....				
Less: Nontaxable and Exempt Sales* .....			\$5.98 per wine gallon	1
Net Taxable Sales .....				
<b>2. Sparkling Wine:</b>				
Military .....				
All Others.....				
Less: Nontaxable and Exempt Sales* .....			\$2.12 per wine gallon	2
Net Taxable Sales .....				
<b>3. Still Wine:</b>				
Military .....				
All Others.....				
Less: Nontaxable and Exempt Sales* .....			\$1.38 per wine gallon	3
Net Taxable Sales .....				
<b>4. Cooler Beverages:</b>				
Military .....				
All Others.....				
Less: Nontaxable and Exempt Sales* .....			\$0.85 per wine gallon	4
Net Taxable Sales .....				
<b>5. Beer (Other Than Draft):</b>				
Military .....				
All Others.....				
Less: Nontaxable and Exempt Sales* .....			\$0.93 per wine gallon	5
Net Taxable Sales .....				
<b>6. Beer (Draft):</b>				
Military .....				
All Others.....				
Less: Nontaxable and Exempt Sales* .....			\$0.54 per wine gallon	6
Net Taxable Sales .....				
<b>7. Total Tax Due</b> ..... (Add lines 1 through 6) ➤				7
<b>8. Penalty</b> .....				8
<b>9. Interest</b> .....				9
<b>10. Subtotal</b> ..... (Add lines 7 through 9) ➤				10
<b>11. Other Adjustments (Attach Schedule)</b> .....				11
<b>12. Total Amount Due</b> .....				12
<b>13. Payment Amount</b> (Attach check or money order payable to "Hawaii State Tax Collector") .....				13
<b>14. AMENDED RETURNS ONLY - Amount paid</b> (if overpayment, enter in parentheses) on original return .....				14
<b>15. AMENDED RETURNS ONLY - Balance due</b> (if refund, enter in parentheses) with amended return .....				15

\*Attach Schedule      Mailing address: Hawaii Department of Taxation, P.O. Box 259, Honolulu, HI 96809-0259

**DECLARATION:** I declare, under the penalties set forth in section 231-36, HRS, that this is a true and correct return, prepared in accordance with the provisions of the Liquor Tax Law.

Signature \_\_\_\_\_ Title \_\_\_\_\_  
Human Readable text here ID NO XX

Date \_\_\_\_\_  
**FORM M-18 (REV. 2019)**

# INSTRUCTIONS

## Changes You Should Note

Effective for taxable periods beginning on or after September 1, 2019, taxpayers are required to file Form M-18 electronically at [tax.hawaii.gov/eservices/](http://tax.hawaii.gov/eservices/) unless a waiver is obtained by filing Form L-110. The penalty for failure to file electronically is 2% of the tax due. Act 66, Session Laws of Hawaii 2018, amended section 231-8.5, Hawaii Revised Statutes (HRS), to enable the Department of Taxation (Department) to require certain taxpayers to file electronically. See Department of Taxation Announcement No. 2019-02.

## General Instructions

Chapter 244D, HRS, imposes a liquor tax upon dealers (as defined in section 244D-1, HRS) who sell or use liquor in Hawaii.

Section 244D-6, HRS, provides that each month every dealer subject to the liquor tax shall file Form M-18 showing all sales of liquor by gallonage and dollar volume in each liquor category defined in section 244D-1, HRS, and taxed under section 244D-4(a), HRS, made by the dealer during the preceding month, showing separately the amount of the nontaxable sales, and the amount of the taxable sales, and the tax payable thereon. Form M-18 shall also show the amount of liquor by gallonage and dollar volume in each liquor category defined in section 244D-1, HRS, and taxed under section 244D-4(a), HRS, used during the preceding month which is subject to tax, and the tax payable thereon.

The liquor tax is paid only once upon the same liquor and does not apply to liquor held for sale by a permittee but not yet sold (a permittee is a dealer who holds a permit, issued by the Department, to sell liquor).

## Definition of Certain Terms Used in Chapter 244D, HRS

**"Dealer"** means the holder of a manufacturer's license, a wholesaler's license, or a brewpub's license under the liquor law.

**"Distilled spirits"** means an alcoholic beverage obtained by distillation of fermented agricultural products, and includes alcohol for beverage use, spirits of wine, whiskey, rum, brandy, and gin, including all dilutions and mixtures thereof, but does not include beer, draft beer, cooler beverage, or wine.

**"Sparkling wine"** means champagne and any other effervescent wine charged with more than 0.392 grams of carbon dioxide per 100 milliliters of wine, whether artificially or as a result of secondary fermentation of wine within the container.

**"Still wine"** means any nonsparkling wine and shall include those wines containing not more than 0.392 grams of carbon dioxide per 100 milliliters of wine.

**"Cooler beverage"** means either (1) a wine cooler containing wine and more than fifteen per cent added natural or artificial blending material, such as fruit juices, flavors, flavorings, or adjuncts, water (plain, carbonated, or sparkling), colorings, or preservatives, and which contains less than seven per cent of alcohol by volume; or (2) a malt beverage cooler containing beer and added natural or artificial blending material such as fruit juices, flavors, flavoring, colorings, or preservatives and which contains less than seven per cent of alcohol by volume.

**"Beer"** means any alcoholic beverage obtained by the fermentation or any infusion or decoction of barley, malt, hops, or any other similar product, or any combination thereof in water, and includes ale, porter, brown, stout, lager beer, small beer, and strong beer but does not

include sake, known as Japanese rice wine, or cooler beverage.

**"Draft beer"** means beer in an individual container of seven gallons or more.

## Who Must File

Every dealer who sells or uses any liquor in Hawaii must file Form M-18.

**Note:** If a person who does not have a liquor permit issued by the Department, e.g., an out-of-state direct wine shipper, sells or uses liquor in Hawaii, that person has to file Form M-18, like a dealer, and pay the liquor tax (if the tax has not already been paid on the liquor sold or used).

## When to File

Form M-18 must be filed by the 20th day of each month whether or not any tax is due. If the due date falls on a Saturday, Sunday, or legal holiday, file by the next regular workday.

The official U.S. Post Office cancellation mark will be considered primary evidence of the date of filing of tax documents and payments. Hawaii has adopted the Internal Revenue Code provision to allow documents and payments delivered by a designated private delivery service to qualify for the "timely mailing treated as timely filing/paying rule." The Department will conform to the Internal Revenue Service listing of designated private delivery services and type of delivery services qualifying for the "timely mailing treated as timely filing/paying rule." Timely filing of mail which does not bear a U.S. Post Office cancellation mark will be determined by reference to other competent evidence.

## Where to File

Effective for taxable periods beginning on or after September 1, 2019, Form M-18 MUST be filed electronically at [tax.hawaii.gov/eservices/](http://tax.hawaii.gov/eservices/).

You may also mail Form M-18 with payment to:

Hawaii Department of Taxation  
P. O. Box 259  
Honolulu, Hawaii 96808-0259

## Electronic Funds Transfer (EFT)

Section 231-9.9, HRS, authorizes the Department to require those taxpayers whose tax liability for a particular tax exceeds \$100,000 during the past year to pay that tax by EFT instead of by check. The Department reviews the filing records of taxpayers and will mail notices to taxpayers who met this criterion. Any taxpayer who does not meet the criterion may still voluntarily pay by EFT. Use Form EFT-1 to set up payment by EFT. For more information on paying taxes by EFT, see Tax Information Release Nos. 95-6 and 99-1.

**IMPORTANT:** A penalty of 2% of the tax due will be assessed if a taxpayer who is required to make payments by EFT does not do so without reasonable cause. If an EFT payment is dishonored, a \$25 service fee will be assessed.

## Penalty and Interest

**Late Filing of Return** – The penalty for failure to file a return on time is assessed on the tax due at a rate of 5% per month, or part of a month, up to a maximum of 25%.

**Failure to Pay Tax After Filing Timely Return** – The penalty for failure to pay the tax after filing a timely return is 20% of the tax unpaid within 60 days of the prescribed due date.

**Failure to Pay by EFT** – The penalty for failure to pay by EFT for taxpayers who are required to pay by EFT is 2% of the tax due.

**Failure to File Electronically** – Form M-18 MUST be filed electronically, unless you obtain a waiver. (Use Form L-110 to apply for a waiver.) The penalty for failure to file electronically is 2% of the tax due.

**Interest** – Interest at the rate of 2/3 of 1% per month or part of a month shall be assessed on unpaid taxes and penalties beginning with the first calendar day after the date prescribed for payment, whether or not that first calendar day falls on a Saturday, Sunday, or legal holiday.

## Signature

The return must be signed and dated by a person who is authorized to sign Form M-18.

## Specific Instructions

- Address** – If your address is outside the United States or its possessions or territories, enter the information on the line for "City or town, State, and Postal/ZIP Code" in the following order: city, province or state, postal code, and the name of the country. Do not abbreviate the country name.

If your mailing address has changed, you must notify the Department of the change by completing Form ITPS-COA, Change of Address Form, or log in to your Hawaii Tax Online account at [hitax.hawaii.gov](http://hitax.hawaii.gov). Failure to do so may prevent your address from being updated, any refund due to you from being delivered (the U.S. Postal Service is not permitted to forward your State refund check), and delay important notices or correspondence to you regarding your return.

- In computing dollar volume, exclude federal and state excise taxes.
- Carry wine gallonages to two decimal places. Round up decimals of .005 or larger. Round down decimals of .004 or less.
- Submit separate schedules for nontaxable sales, exempt sales, and other adjustments. Each nontaxable sale should be separately shown by designating name of the purchaser and applicable item number of nontaxable sales indicated below in parentheses before the names of the purchasers:
  - Liquor sold by one permittee to another permittee;
  - Liquor which under the Constitution and laws of the United States cannot be legally subjected to Hawaii's liquor tax so long as and to the extent to which the State is without power to impose the tax;
  - Liquor sold for sacramental purposes or the use of liquor for sacramental purposes, or any liquor imported pursuant to section 281-33, HRS;
  - Alcohol sold pursuant to section 281-37, HRS, to a person holding a purchase permit or prescription therefor, or any sale or use of alcohol, so purchased, for other than beverage purposes;
  - Liquor sold and shipped to a point outside the State for use or resale outside the State pursuant to section 244D-4.3, HRS.
- Amended Returns** – If you are filing an amended return, check the "Amended Return" box at the top of Form M-18. Complete your amended return using corrected amounts through line 12. Attach Schedule AMD, Explanation of Changes on Amended Return.