

Ponca Tribe of Nebraska Tax Commission

P.O. Box 288
Niobrara, NE 68760

LIQUOR TAX SUMMARY

What is subject to liquor tax?	All retail sales of liquor to another person on Tribal lands are subject to liquor tax unless otherwise exempted. A sale is considered a retail sale unless the sale is made for the purpose of reselling the liquor or further manufacturing or processing the liquor before resale.
What is exempt from liquor tax?	The following are not subject to liquor tax: <ul style="list-style-type: none">• Sales of liquor made outside Tribal lands<ul style="list-style-type: none">• A sale is considered to be made on Tribal lands if:<ul style="list-style-type: none">• The liquor is delivered by a seller who is on Tribal lands (e.g., a store located on Tribal land selling liquor to anyone, even by mail); or• The liquor is delivered to a buyer who is on Tribal lands (e.g., a store off Tribal land delivering liquor to someone on Tribal land)• Complimentary liquor provided to customers, guests, or employees• Sales by a licensed practicing physician or dentist in the strict practice of his or her profession• Sales by a hospital or other institution caring for sick and diseased persons for the treatment of patients of the hospital or institution• Sales by a drug store employing a licensed pharmacist in the compounding of prescriptions from licensed physicians
How much is liquor tax?	The amount of tax is 7% of the total amount charged for the liquor. If the liquor is sold for anything other than money, the amount charged for the liquor is the fair market value of the liquor sold.
Who pays liquor tax?	Sellers add liquor tax to the price they charge for liquor sold and pay the tax to the Tax Commission. If not charged, the retailer must still pay the tax.
Are there any deductions from liquor tax?	A seller may deduct from the taxes due any liquor tax actually paid by the seller to another state or tribal government if that state or tribe also allows a similar deduction or exemption for the Tribe's liquor tax.
When are liquor taxes due?	Sellers must pay liquor tax by the 20th of each month for all sales made during the previous month (e.g., pay by June 20 for sales in May).
Who files liquor tax returns?	Sellers must file a liquor tax return with the Tax Commission every month for all gross sales during the previous month. If a seller has multiple locations, the seller need only file a single return.
When are liquor tax returns due?	Sellers must file their liquor tax return by the 20th of each month for all sales made during the previous month (e.g., file by June 20 for sales in May).
Is a license required?	Yes. Any person who engages in retail sales of liquor on Tribal lands must obtain a retail liquor tax license from the Commission for each retail location.
Are any retailers exempt?	A person only making sales exempt from liquor tax (see above) is not required to obtain a liquor tax license, file liquor tax returns, or collect or pay liquor tax.

This document is provided only to assist taxpayers and others with understanding the tax summarized. It is not legal advice and does not constitute a ruling or binding document of the Tax Commission or the Tribe.