

# POS System and Reporting Excise Tax

Your POS system should not be determining your excise tax. Excise tax should be determined at the keg, not the tap. Breweries need to be reporting whole kegs on the internal sales form, not glasses, cups, growlers, etc.

Federal regulation CFR 27, §25.25 regarding Operation of a tavern on brewery premises indicates:

(1) The brewery shall have a suitable method for measurement of the beer, such as a meter or gauge glass. Tax determination shall consist of the measurement of the beer and the preparation of the brewer's record of tax determination, required by §25.292(a)(8). **The taxes shall be determined prior to the time that the beer is dispensed into a container for consumption.**

Therefore, using a POS system as a means to measure beer (or other product) for tax determination purposes shall not be allowed.

If a POS system (or reporting by the drink/glass/growler) has been your means to measure beer for tax determination purposes, please correct immediately.