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**Georgia Department of Revenue**  
**Alcohol & Tobacco Division Policy Bulletin 2016-04**  
**License Suspension or Revocation for Tax Delinquency**  
**Effective: September 15, 2016**

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- 1) **Purpose:** To outline the Department's new policy regarding the suspension or revocation of Alcohol licenses for outstanding tax liabilities. This bulletin also addresses the circumstances where a Licensee may be eligible for an Installment Payment Agreement ("IPA") for tax delinquencies.
- 2) **Effective Date:** September 15, 2016.
- 3) **Authority:** O.C.G.A. §§ 3-2-2; 3-2-3; 3-2-6; 48-2-12.
- 4) **Scope:** A Policy Bulletin is intended to provide guidance to the public and Department personnel. It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers, superseding all conflicting documents and oral directives previously issued by the Department. A Policy Bulletin is the Department's position on the law and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.
- 5) **Summary:**

Currently, Alcohol Licensees who fail to meet tax obligations are promptly issued an alcohol license citation and a hearing date will be set. At or before the hearing, Licensees are given the opportunity to cure the tax delinquency or enter into an IPA in order to avoid the suspension or revocation of their license. Licensees who then default on an IPA or incur new tax delinquencies are cited a second time and called for a second hearing, at which point the Licensee may have his or her license suspended or revoked.

**Effective September 15, 2016**, the Department will no longer issue alcohol citations when a Licensee is initially discovered to be delinquent on a tax liability. Instead of issuing a first citation, the Compliance Division of the Department will seek to engage Licensees in an IPA or bring the Licensee into full compliance before notifying the Alcohol Tobacco Division of a tax delinquency. The new policy is designed to reduce the burden on both the Department and Licensees resulting from having to conduct multiple hearings while still allowing Licensees to maintain their licenses in good standing by entering into manageable payment plans under an IPA when the Licensee first fails to meet tax obligations.

Under the new policy, when an Alcohol Licensee first fails to meet a tax obligation, the Department's Compliance Division will contact the Licensee and offer the opportunity to avoid an Alcohol citation by paying the delinquency. The Licensee will be given ten (10) calendar days

to file all missing returns and pay the delinquency amount in full. If the Licensee cannot pay the full liability within ten (10) days, the taxpayer may apply for an IPA. The Licensee will avoid a citation by either paying the liability in full or entering an IPA.

If the Licensee does not file all missing returns and pay the amount due in full or enter into an IPA by the deadline, an Alcohol citation will be issued and a hearing date will be set. Similarly, if a Licensee enters an IPA but later defaults on the IPA, a citation will be issued and a hearing date will be set.

Once a citation has been issued, the Licensee will have until the hearing date to pay the liability due in full or the taxpayer's license will be suspended or revoked at the hearing. A Licensee who is suspended at the hearing may be eligible for an IPA in the discretion of the Compliance Division, however, the license will remain suspended until the liability is paid in full.

#### **6) Policy Change:**

- Currently, Alcohol Licensees that fail to meet tax obligations are promptly issued a citation against their Alcohol license and called for a hearing. At or before the hearing, Licensees are given the opportunity to pay the amount in full or enter into an IPA to avoid the suspension or revocation of their license. Licensees who then default on the IPA are issued a second citation and called for a second hearing. At the second hearing, the Licensee may have his or her license suspended or revoked.
- **Effective September 15, 2016**, Alcohol Licensees with past due tax obligations will no longer be issued an initial citation against their license, but instead will be contacted by the Compliance Division of the Department to resolve the tax liability. The Compliance Division will give the Licensee up to ten (10) days to pay the amount in full or enter into an IPA to avoid a citation from the Alcohol & Tobacco Division.
- Licensees that default on an IPA will be given a limited timeframe in which to cure before the Compliance Division declares the IPA in default. Once the IPA is declared in default, the Alcohol & Tobacco Division will issue a citation.
- A Licensee that has been issued a citation for failure to comply with tax obligations, including defaulting on an IPA, will have until the hearing date to pay the past due amount in full or the Licensee will have his or her Alcohol license suspended or revoked.
- The taxpayer will only be eligible for reinstatement after the liability is paid in full.

#### **FOR MORE INFORMATION**

**For more information on this subject contact Taxpayer Services at 1-877-423-6711 between 8:00 a.m. to 4:30 p.m. EST, Monday through Friday, excluding holidays.**