COMMON CARRIER REPORTING

Common carrier reporting laws require common carriers (i.e., FedEx, UPS) to report all shipments of alcohol shipped directly to a consumer (DTC) to the state regulator. **Common carrier reports help regulators differentiate between legal and illegal alcohol shipments** by containing information that identifies the originating shipper which regulators can use to ensure the shipper is appropriately licensed.

A thriving marketplace benefits all, but a marketplace where legal businesses are forced to compete with illegal shippers is detrimental to consumers and the entire industry.

COMMON CARRIER REPORTING REQUIREMENTS:
- Serve public safety goals,
- Account for changes in the marketplace, and
- Preserve ease of access to quality products by the consumer.

BENEFITS OF CARRIER REPORTING

HELPS STOP LOSSES IN STATE TAX REVENUE
Common carrier reporting is necessary because widespread illegal alcohol shipping has had a significant impact on state revenues. **Unlicensed, unscrupulous alcohol shippers dodge state laws avoiding tax remittance requirements including excise, retail, and local taxes**—often totaling in the millions of dollars of lost revenue.

PROMOTES MARKETPLACE STABILITY
Common carrier **reporting identifies illegal shipments that undercut law-abiding industry members, local businesses, and compromise the state's regulatory authority and public safety mechanisms.** Because illegal shippers operate outside of the regulated marketplace, tracking illegal shipments is nearly impossible without common carrier reports.

IDENTIFIES ILLEGAL ACTIVITY
Laws requiring common carriers to report certain information about all alcohol shipments transported, which their systems already gather, **provide regulators with data to identify and pursue enforcement actions against illegal alcohol shippers.**

ADDITIONAL RESOURCES
See WSWA's **Common Carrier Reporting Findings and Enforcement Actions** for more information about illegal shipping and the loss of revenue to states across the country.