

## **Policy on Implementing Electronic Funds Transfer**

Electronic Funds Transfers (EFT) for the purchase of alcoholic beverages in Louisiana are allowable as follows:

1. Electronic Funds Transfers shall be regarded as a paperless check and be given the exact same treatment as a check under the state statutes and regulations.
2. The processing of insufficient funds (NSF) under an EFT payment system shall also be treated in the same manner as a "paper" check.
3. To ensure that no credit terms are imposed on the wholesaler and that the state receives its excise tax revenues in a timely manner, the EFT must be wholesaler initiated.
4. The wholesaler must initiate the EFT no later than the next "banking" business day from the date of delivery for the amount and quantity invoiced.
5. The retailer must ensure that the wholesaler is paid with an irrevocable payment order for the amount and quantity invoiced no later than one (1) "banking" business day after the initiation of the EFT by the wholesaler.
6. The use of EFT as a form of payment must be a voluntary mutually agreed upon system of payment and there shall be no discrimination for non-participation in EFT by either party. Payment by EFT must be available to all licensees. Any violation of this nature shall result in being found guilty of the unfair trade practices laws set forth in Title 26 and LAC 55.
7. Prior to initiating EFT payments, the retail licensee must enter into a written agreement with the wholesaler specifying the terms and conditions for electronic fund transfer in payment for alcoholic beverages. Either party may terminate this agreement with thirty (30) days written notice to the other party.
8. The wholesaler must generate an invoice on or before the point of delivery, and shall specify that the payment is an EFT. Only an authorized employee of the retailer must sign each invoice. This signature shall be an acknowledgment and approval of the delivery quantity, dollar amount, and EFT transaction to be initiated by the wholesaler.
9. Each party must maintain records of transactions and EFT agreements for the Commissioner or his agent/employee to review.
10. Each party must bear their respective costs in conducting EFT payments, including, but not limited to transaction fees, software, hardware, maintenance fees, insurance, and bonds.
11. EFT to a wholesaler making delivery to multiple locations of a chain retailer on the same business day may be transmitted to the wholesaler as a single EFT. Each party shall maintain store-by-store, line-by-line, fully-detailed records in order to trace each delivery invoice to the EFT.

**State of Louisiana**  
Office of Alcohol and Tobacco Control

**John Bel Edwards**  
Governor



**Juana Marine-Lombard**  
Commissioner

Alcohol & Tobacco  
Control

**Policy on Electronic Funds Transfers**  
**(page 2 of 2)**

12. No manufacturer, wholesaler, or retailer shall directly or indirectly have any ownership in a program, organization, or association providing EFT services to Louisiana licensees.
13. It is recognized that EFT is a form of exchanging electronic information, and is in part a form of electronic data interchange. This exchange of electronic information shall be limited to that information necessary for the delivery and payment of an alcoholic beverage invoice. It shall not be construed to permit the providing of data services including, but not limited to sales summaries or comparisons of competitive product sales.
14. Any person in violation of this ruling shall be subject to the terms for violation of the Beer Cash and Liquor Credit laws of Title 26 and LAC