U. S. TREASURY DEPARTMENT
Internal Revenue Service
Washington 25, D. C.

Alcohol and Tobacco Tax Division
Industry Circular No. 56-21

May 24, 1956

Transfer of Packages of Distilled Spirits

Proprietors of distilleries, internal revenue bonded warehouses, and others concerned:

1. This circular clarifies the procedure to be observed in transferring packages of distilled spirits in bond.

2. Regulations, as amended by Treasury Decision 6165, effective March 27, 1956, relative to the transfer of packages between internal revenue bonded warehouses, waive the requirement for weighing packages prior to (1) shipment in conveyances sealed with Government seals, and (2) transfers to an internal revenue bonded warehouse operated by the consignor, or an affiliate or subsidiary of the consignor, in the vicinity and so located that the transfer can be under observation by internal revenue officers. Packages upon receipt, whether shipped from a distillery or an internal revenue bonded warehouse, need not be weighed when (1) shipped in conveyances sealed with Government seals, and the conveyances are received with such seals intact, (2) received from a distillery or warehouse, operated by the consignee or an affiliate or subsidiary of the consignee, in the vicinity and so located that the transfer can be under observation by internal revenue officers, or (3) the packages have been transferred in unsealed conveyances, and the proximity of the premises or other conditions are such that jeopardy to the revenue would not be incurred, if the requirement for weighing has been waived by the assistant regional commissioner, upon authorization of the Director, Alcohol and Tobacco Tax Division. When conveyances are received on which the Government seals are not intact, or if packages bear evidence of damage in transit, the warehouseman will weigh each package under the supervision of the storekeeper-gauger.

3. The regulations do not provide for or contemplate the transfer of packages from a conveyance sealed with Government seals to another conveyance while en route from the consignor premises to the consignee premises. When it is known in advance,

due to different maximum load limits permitted in various States or for other legitimate reasons, that packages will be reloaded while en route, or that access to the conveyance must be made for other just cause prior to arrival at the consignee premises, neither the consignor nor the consignee shall request (on Form 236) Government seals to be affixed to the conveyances. Under these circumstances the packages must be weighed, in the manner prescribed by regulations, both prior to shipment and upon receipt.

4. In any instance where it is essential because of unforeseen emergency conditions to transfer packages from a Government sealed conveyance, or to break the seals for any other reason, while en route, a suitable report thereof should be made to the internal revenue officer at the consignee premises and the packages must be weighed and examined upon receipt.

5. Inquiries regarding this circular should refer to its number and be addressed to the office of your assistant regional commissioner (alcohol and tobacco tax).

Dwight E. Avis
Director, Alcohol and Tobacco Tax Division