

**DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
ABSTRACT AND STATEMENT**

NOT IN SUIT

For briefing offers in compromise of liabilities and/or violations incurred under sections 4181 and 4182 and Chapters 51 and 52 of the Internal Revenue Code and/or liabilities and/or violations incurred under the Federal Alcohol Administration Act.

1. OFFER SUBMITTED BY (Name and address) Anheuser-Busch, LLC One Busch Place Saint Louis, Missouri 63118 RE: 2885 Belgium Road Baldwinsville, New York 13027	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TID	3. AMOUNT OF OFFER \$300,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	
	5. CASE NUMBER [REDACTED]	
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE

VIOLATIONS:
 The proponent allegedly violated: (1) the trade practice provisions of 27 U.S.C. § 205(d) of the Federal Alcohol Administration Act, ("FAA Act"); and (2) the regulations promulgated thereunder (specifically, 27 C.F.R. §§ 11.21(c) and 11.46) have occurred as a result of Industry Member's communications and conduct with respect to the Anheuser-Busch Shock Top Lemon Shandy End of Season Buy-Back Co-op and Anheuser-Busch Shock Top Pumpkin Wheat Ale End of Season Buy-Back Co-op, and the Industry Member's wholesalers/distributors purchases of such products and participation in the programs.

The Consignment Sales provisions under the FAA Act at 27 U.S.C. § 205(d) and promulgated by regulation at 27 C.F.R. § 11.21(c) state that it is unlawful for an industry member to sell, offer for sale, or contract to sell to any trade buyer, or for any such trade buyer to purchase, offer to purchase, or contract to purchase any products with the privilege of return. The Bureau alleges that the Industry Member violated the Consignment Sales provisions with its promotions, offers and sales which resulted in 540,920 cases being sold to its wholesalers/distributors located in states with similar state laws. TTB asserts that the electronic communications, to include emails, promotional materials and sales records from the Industry Member brewery constituted "offers of sale" (with privilege of return) in violation of section 205(d) of the FAA Act. Industry Member then consummated sales with these wholesalers/distributors pursuant to these communications, creating additional violations for both Industry Member and its participating wholesalers/distributors.

BUSINESS IN WHICH ENGAGED:
 The proponent is a duly qualified brewery

DATE OR PERIOD AND LOCATION OF VIOLATIONS:
 The violations occurred from March 3, 2015 through October 6, 2015, at the proponent's premises located at 2885 Belgium Road, Baldwinsville, New York 13027.

AMOUNT AND TERMS OF OFFER:
 The proponent has submitted an offer of \$300,000.00, in compromise of the above violations incurred under the Federal Alcohol Administration Act. The proponent suggests acceptance of this offer is appropriate because of the uncertainty and risk in litigation coupled with the adverse impact additional proceedings could have on its wholesalers.

RECOMMENDATIONS:
 The Director, National Revenue Center, recommends acceptance of the offer. In view of potential litigation hazards, acceptance of this Offer-In-Compromise, as submitted, is warranted.

9. I have considered the proposition to compromise the liability as charged herein, and, for the reasons embodied in the above abstract and statement, am of the opinion that it will be for the best interest of the United States to ACCEPT REJECT the terms proposed.

10. SIGNATURE AND TITLE [REDACTED] Assistant Administrator, Field Operations	11. DATE 2/25/16
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