Introduction to TTB Bootcamp: The Basics

SUSAN EVANS
DIRECTOR, OFFICE OF INDUSTRY AND STATE OUTREACH
TTB Disclaimer

Notice:

• This information is being presented to help the public to understand and comply with the laws and regulations that the Alcohol and Tobacco Tax and Trade Bureau administers

• It is not intended to establish any new, or change any existing, definitions, interpretations, standards, or procedures regarding those laws and regulations

• In addition, this presentation may be made obsolete by changes in laws and regulations - please consult the regulations for the most current regulatory requirements

• Sample documents (such as records, returns, and labels) are for illustrative purposes only and contain fictitious data
Agenda

• Overview of TTB
• The primary laws and regulations you need to know about
• Typical TTB touchpoints for distilleries
TTB Overview

• We are a bureau within the Department of the Treasury
• We currently have about 500 employees
• Our headquarters are in Washington, DC
• The Office of Permitting and Taxation (AKA the National Revenue Center) is in Cincinnati, Ohio
• We have field offices located across the country
• We have 4 laboratories, located in Maryland and California
TTB Mission

**COLLECT** the taxes on alcohol, tobacco, firearms, and ammunition

**PROTECT** the consumer by ensuring the integrity of alcohol products

**ENSURE** only qualified businesses enter the alcohol and tobacco industries

**PREVENT** unfair and unlawful market activity for alcohol and tobacco products
TTB Organizational Chart

Administrator

Permitting and Taxation
- Application Services Division
- Tax Services Division

Headquarters Operations
- Alcohol Labeling and Formulation Division
- Scientific Services Division
- Regulations and Rulings Division

Field Operations
- Trade Investigations Division
- Tax Audit Division
Permitting and Taxation
National Revenue Center

Application Services Division - Issues permits/notices/registrations

Tax Services Division - Processes tax returns, operational reports, and claims

- Located in Cincinnati, Ohio
- Toll-Free: 877-882-3277
- Web Form: Submit Online Inquiry
Alcohol Labeling and Formulation Division

Processes applications for **beverage alcohol formulas**

Processes applications for **label approval**

- Located in Washington, DC
- Toll-Free: 866-927-2533
- Web Form: [Submit Online Inquiry](#)
Typical TTB Touchpoints for Beverage Distilled Spirits Industry Members

1. Qualify as a Distilled Spirits Plant (DSP)
2. Apply for formula approval (if needed)
3. Produce distilled spirits; keep records
4. Apply for label approval
5. Report changes after original qualification (amendments)
6. File tax return, pay taxes, file operational reports
7. Bottle and remove; keep records
TTB Laws and Regulations*
Domestic Producers

Internal Revenue Code (IRC)
• **Part 19** Distilled Spirits Plants

Federal Alcohol Administration Act (FAA Act)
• **Part 5** Labeling and Advertising of Distilled Spirits

* Not a complete list
IRC Requirements for (Domestic) Alcohol Beverage Products

Applies to all alcohol beverage products produced in the U.S.

Includes:*  
• Qualification (permit)  
• Recordkeeping requirements and reports  
• Taxes  
• Formulas (for some alcohol beverage products)  
• Minimum marks, brands and label requirements

* Not a complete list
FAA Act Requirements

Applies to domestic and imported alcohol beverage products, but only if they are sold or shipped ... in interstate commerce*

Includes:
- Labeling requirements
- Certificates of Label Approval (COLA)
- Advertising

*Other conditions may apply for labeling and COLA requirements, not a complete list
Permits: Original and Amendments

DARYL POLLEY
TECHNICAL ADVISOR
APPLICATION SERVICES DIVISION
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1. **Qualify as a Distilled Spirits Plant (DSP)**
2. **Apply for formula approval (if needed)**
3. **Produce distilled spirits; keep records**
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6. **Bottle and remove; keep records**
7. **Report changes after original qualification (amendments)**
Definitions (Cont.)

General premises

• Any business office, service facility, or other part of the premises described in the notice of registration other than bonded premises
  ◦ For example: storage of taxpaid spirits, offices, lunch room, restrooms and non-alcohol storage
Bonded premises

• The premises of a distilled spirits plant, or part thereof, as described in the application for registration, on which the conduct of distilled spirits operations (distilling, warehousing, processing) is authorized.

• This term applies regardless of whether or not the proprietor is required to hold a bond.
A bond is similar to an insurance policy

- If you fail to pay any tax liability covered by a bond, TTB may seek payment from you, from the surety who issues your bond, or from both.

- Your individual circumstances dictate if you need a bond and if yes, the type(s) of bond coverage:
  - What is your anticipated excise tax liability?
  - Which DSP operations will you conduct?
  - Will your operations involve industrial, beverage or both types of alcohol?
The PATH Act (2017) amended the IRC regarding bonds:

- Taxpayers who reasonably expect to be liable for not more than $50,000 in taxes for the calendar year, and
- were liable for not more than $50,000 in such taxes in the preceding calendar year
- are exempt from the requirements to file bonds covering operations or withdrawals
The terms **bond** and **bonded** are used to modify certain terms throughout 27 CFR part 19, the TTB regulations governing DSPs. When used, they apply to distilleries with a bond or that are exempt under the PATH Act from having a bond. Examples include:

- Bonded premises
- Transfer in bond
Receiving Spirits in Bond

• If you will receive bulk spirits in bond from another domestic distilled spirits plant, you should complete TTB Form 5100.16, even if you are not required to obtain a bond
  ◦ Use $13.50 per proof gallon when calculating the potential liability on transferred spirits

• Once approved, a transfer in bond form will be attached to your application and you should supply a copy to the supplier transferring the spirits to you
Restrictions on Location of Plants

A person who intends to establish a distilled spirits plant may not locate it in any of the following places:

(a) In any residence, shed, yard, or enclosure connected to a residence;
(b) On any vessel or boat;
(c) Where beer or wine is produced;
(d) Where liquors are sold at retail; or
(e) Where any other business is conducted except as provided in §19.54.
Did You Know...?

• Before your application is approved, construction of your premises should be complete with necessary equipment in place or on order

• You cannot begin producing spirits until you receive your approved DSP Registration and Permit
Register for an Account in Permits Online

Who is the Applicant?

Before you apply, it is vital to determine who will be the owner/operator of the TTB regulated business

- Sole proprietor?
- Partnership?
- Corporation?
- LLC?
- Some other type of entity?
What to Gather Before You Apply

• There are a number of supporting documents that you’ll be required to submit with your application

• Plan ahead and gather these documents before you begin the application
What to Gather Before You Apply

• Organizational documents establishing your business entity
• Lease agreement or proof of ownership
• Signing authority authorization:
  ◦ Signing Authority, TTB Form 5100.1
  ◦ If persons with signing authority are not identified in the organizational documents
  ◦ Power of Attorney (POA), TTB Form 5000.8
• Diagram of the DSP
Your information in Permits Online is organized in two different kinds of records:

- The **entity record** equates to a single company or business entity, represented by a unique Employer Identification Number (EIN).

- A **commodity operations record** is created for each TTB-regulated operation (type and location) the entity is approved to conduct.

A typical entity record will have at least 1, but may have multiple commodity operations records associated with it.
When applying to start your first TTB-regulated business, you’ll complete 1 new entity application and a new commodity operations application for each operation (type and location) you intend to conduct.

When you file an amendment related to the business entity, you will file 1 application and the changes are associated with each operation you conduct.

- Examples: a new officer or new POA
Business Entity and Commodity Operations

Entity Record

Our Business, Inc.  
(EIN 12-3456789)

- Commodity Operations Record  
  Brewery

- Commodity Operations Record  
  Winery

- Commodity Operations Record  
  Distilled Spirits Plant
Applicants are asked a series of questions in **Permits Online** to help distinguish what can and cannot be done at a distillery.
Changes to Your Entity that You Must Report to TTB

Changes in:
• Legal business name
• Controlling ownership
• General partner
• Any stockholder or members holding ownership of 10% or more
• Corporate officer, directors, or any similar positions

Adding, revoking, or changing:
• Signing authority
• Power of attorney

Termination of all TTB-regulated operations under your EIN (going completely out of business)
Changes to Your Commodity Operations That You Must Report to TTB*

**Change in:**
- Premises location
- Bond
- Construction or use of building
- Operations
- DBA/Operating name

**Adding or removing:**
- Trade names
- Noncontiguous premises
- Alternation of premises
- Alternation of proprietor
- Variance or alternate method

**Termination** of operations at 1 location, but keeping other operations/locations under the same EIN open

*requirements vary slightly by commodity operation
Alternation of Premises

The premises is used by the same owner/same EIN to conduct another TTB - regulated business, such as a winery or brewery.

If you are an already established DSP and wish to add a winery or brewery, you must submit:

- A new application for the commodity operations that you are adding
- Updated diagram showing which areas will be alternating
- Change in Bond (Consent of Surety) TTB Form 5000.18

You may also submit:

- Variance request to use brewery for another purpose
- Variance from the requirement to submit notification of each alternation
Alternation of Proprietorship

Two or more proprietors with different EINs conduct the same type of operations at the same premises, and space and/or equipment alternates between proprietors.

Generally, the proprietor of an existing DSP, the host distiller, agrees to rent space and equipment to a new tenant distiller.

The host and tenant of an alternating proprietorship are required to submit:

• An alternating proprietorship agreement (a contract between the host and tenant)
• Updated diagram showing which areas will be alternating and which will be the permanent non-alternating space of both the host and tenant
• A variance request for an alternate method or procedure from 27 CFR 19.141(b), so that the proprietor does not need to file a letterhead notice prior to each alternation
<table>
<thead>
<tr>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Apply for a Permit: Qualifying with TTB</strong></td>
</tr>
<tr>
<td><strong>Permits Online Customer Page</strong></td>
</tr>
<tr>
<td><a href="https://www.ttb.gov/ponl/customer-support">https://www.ttb.gov/ponl/customer-support</a></td>
</tr>
<tr>
<td><strong>Permits Online Tutorial</strong></td>
</tr>
<tr>
<td><a href="https://www.ttb.gov/ponl/ponl-launch">https://www.ttb.gov/ponl/ponl-launch</a></td>
</tr>
<tr>
<td><strong>State Alcohol Beverage Authorities</strong></td>
</tr>
<tr>
<td><a href="https://www.ttb.gov/wine/alcohol-beverage-control-boards">https://www.ttb.gov/wine/alcohol-beverage-control-boards</a></td>
</tr>
<tr>
<td><strong>Alcohol FAQs</strong></td>
</tr>
<tr>
<td><a href="https://www.ttb.gov/faqs/alcohol">https://www.ttb.gov/faqs/alcohol</a></td>
</tr>
<tr>
<td><strong>Overview of the Application Process</strong></td>
</tr>
<tr>
<td><strong>Maintaining Compliance in a TTB-Regulated Industry</strong></td>
</tr>
<tr>
<td><strong>Laws, Regulations, and Public Guidance</strong></td>
</tr>
</tbody>
</table>
Questions?

Contact the National Revenue Center at:

- Toll-Free: 877-882-3277 / 877-TTB-FAQS
- Use our National Revenue Center Contact Form

Representatives are Available:
8 a.m. to 4:30 p.m. ET Monday - Friday (except on federal holidays)
Records, Reports, and Returns

RONDA MERRELL
TECHNICAL ADVISOR
NATIONAL REVENUE CENTER
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## Using TTB.gov

### PROGRAM AREAS
- Beverage Alcohol
- Nonbeverage Alcohol
- Tobacco
- Formulation
- Labeling
- Advertising
- Market Compliance
- Trade Practices
- International Affairs
- Firearms and Ammunition

### REGS & GUIDANCE
- Laws
- Regulations
- Rulings
- Procedures
- Industry Circulars
- Federal Register
- Publications
- Other Guidance

### TAXES AND FILING
- Tax Reform (CBMTRA)
- Pay.gov
- Tax Due Dates
- Tax Rates
- Preparing Returns
- File Disaster Claims
- Special Occupational Taxes

### ONLINE SERVICES
- Permits Online
- COLAs Online
- Formulas Online
- Pay.gov
- Public COLA Registry
- Online Help Center

### ENFORCEMENT
- Tip Line
- Offers in Compromise
- Investigations
- Audits
- Tax Services
- Beverage Alcohol
- Product Diversion
- Tobacco Diversion

Using TTB.gov

TTB Regulated Industries

- Resources for Beer, Distilled Spirits, Wine, Sake, Kombucha, and Trade Practices
- Resources for Alcohol Fuel, Industrial Alcohol, Nonbeverage Products, and Tax-free Alcohol
- Resources for Tobacco Manufacturers, Importers, and Export Warehouse Proprietors
- Resources for Gunsmiths, Importers, Manufacturers, and Reloaders

Business Tools

- Apply for a Permit
- Submit a Label
- Submit a Formula
- Import / Export
- Returns / Reports
- Processing Times
- Stay Compliant
- Get Training
- Business Central
Operational Reports Tutorials

TTBGov - Forms Helpful Hints and Tips

Operational Reports Tutorials

These tutorials guide you through the various form fields. You may also conveniently file these reports electronically using Pay.gov.

- 5110.11 - Monthly Report of Storage Operations
- 5110.43 - Monthly Report of Processing (Denaturing) Operations
- 5120.17 - Report of Wine Premises Operation
- 5130.9 - Brewer’s Report of Operations
- 5620.8b - Claim - Alcohol and Tobacco Tax and Trade Bureau Taxes

Click Helpful Hints to view color coded forms
Records, Reports, & Returns

- Records
- Operational Reports
- Excise Tax Return
27 CFR part 19 DISTILLED SPIRITS PLANTS

• Records start from the receipt of materials
• Gauge record requirements
• Records transferring product from area to area
• Records for each area
• Records are required for everything from production to the product going out the door
Records, Reports, & Returns

- Records
- Operational Reports
- Excise Tax Return
Reporting Requirements

• Reports are due the 15th of the following month following the close of the reporting period

• All required reports must be filed monthly
  ◦ Even if no activity!
  ◦ Reports may not be filed quarterly or annually

27 CFR 19.632
Reporting Requirements

- **Approved as Distiller**
  - must file Production report TTB F 5110.40

- **Approved as Warehouseman**
  - must file the Storage Report TTB F 5110.11

- **Approved as Bottler, Processor or Rectifier**
  - must file the Processing Report TTB F 5110.28

- **Approved for Denaturing Spirits (Industrial)**
  - must file the Processing (Denaturing) Report TTB F 5110.43
What Operations are You Approved For?

7. PERMIT GRANTED FOR (ONE TYPE OF OPERATION ONLY)

Pursuant to the application of the date indicated in item 4, you are authorized and permitted to engage, at the above address, in the business of:

a. \( \checkmark \) Distilled Spirits - \( \checkmark \) distiller \( \square \) rectifier (processor) \( \checkmark \) warehouseman and/or \( \checkmark \) warehouseman and bottler and while so engaged, to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the distilled spirits so distilled or rectified, or warehoused and bottled, or the wines so rectified,

b. \( \square \) Wine - \( \square \) producer and blender \( \square \) blender and while so engaged, to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the wine so produced or blended,

c. \( \square \) Importer - importing into the United States the following alcoholic beverages:

   while so engaged, to sell, offer to deliver for sale, contract to sell or ship, in interstate or foreign commerce, the alcoholic beverages so imported,

d. \( \square \) Wholesaler - Purchasing for resale at wholesale the following alcoholic beverages:

   while so engaged, to receive or to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the alcoholic beverages so Purchased.
Distillery Areas

Each report matches up to a section of your distillery

- **Production area**: Where the still is located and where the spirits come into existence

- **Storage area**: Designated area to store product. Can be for a short period or for years

- **Processing area**: Where most of the blending, bottling and bottle storage occurs
Monthly Report of Production Operations:
TTB F 5110.40

• Shows when the product comes off the still
• Shows where the product goes after production
• Report by product classification
• List what materials were used to make the product
# Monthly Report of Production Operations: TTB F 5110.40

## Part I - Transactions

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Whisky</th>
<th>Brandy</th>
<th>Proof Gallons</th>
<th>Alcohol and Spirits</th>
<th>Other (Identify)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. TAX PAYMENT</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>2. USE OF U.S.</td>
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<tr>
<td>3. HOSPITAL, SCIENTIFIC, OR EDUCATIONAL USE</td>
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<tr>
<td>4. EXPORT</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>5. TRANSFER TO FOREIGN TRADE ZONE</td>
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<td></td>
</tr>
<tr>
<td>6. TRANSFER TO CWBN</td>
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</tr>
<tr>
<td>7. USE AS SUPPLIES ON VESSELS OR AIRCRAFT</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. USE IN WINE PRODUCTION</td>
<td></td>
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</tr>
<tr>
<td>9. ENTERED IN PROCESSING ACCOUNT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. ENTERED FOR TRANSFER IN BOND</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. ENTERED IN STORAGE ACCOUNT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. WITHDRAWN FOR RESEARCH, DEVELOPMENT, OR TESTING</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. PRODUCED (Total Lines 1 through 13)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. RECEIVED FOR REDISTILLATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. PHYSICAL INVENTORY END OF CALENDAR MONTH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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*Note: All entries must be equal or less than the amount line 2, processing report.*

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*Includes Line 18 of page 66 and Line 17 & 27 of processing report on this line.*

• Shows product coming from the production area
• Shows product received onto the distillery premises
• Shows where the product goes to after storing it
• Your on hand beginning and on hand ending will show if you are storing for longer periods
• There is no time limit for how long something sits in this area before you have to report it, whether you store something briefly or for years
### Monthly Report of Storage Operations: TTB F 5110.11

#### Instructions
- Every proprietor as a warehouseman must prepare this form monthly, in duplicate. Forward the original to the Director, National Revenue Center, 550 Main St., Ste 8002, Cincinnati, OH 45202-5315, not later than the 15th day of the month following for which the report is rendered.
- The remaining copy must be retained by the proprietor. Separate reports must be prepared for domestic spirits, imported spirits, Puerto Rican spirits, and spirits from the U.S. Virgin Islands. Denaturing operations must be reported on TTB F 5110.43.

#### Monthly Report of Storage Operations

<table>
<thead>
<tr>
<th>TRANSACTIONS</th>
<th>WHISKY&lt;sup&gt;a&lt;/sup&gt;</th>
<th>BRANDY&lt;sup&gt;b&lt;/sup&gt;</th>
<th>PROOF GALLONS</th>
<th>ALCOHOL AND SPIRITS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DISTILLED AT 100° AND UNDER</td>
<td>DISTILLED AT OVER 100°</td>
<td>DISTILLED AT 170° AND UNDER</td>
<td>DISTILLED AT OVER 170°</td>
</tr>
<tr>
<td>(a)</td>
<td>(b)</td>
<td>(c)</td>
<td>(d)</td>
<td>(e)</td>
</tr>
<tr>
<td>1. On hand first of month</td>
<td>Line 23 on the previous report</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Deposited in bulk storage</td>
<td>Line 11 Production Report and all Transfers in Bond</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Received from Customs custody</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Returned to bulk storage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. TOTAL (Lines 1 through 5)</td>
<td>Line 6 and Line 24 must always match</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Tax paid</td>
<td>To show on Tax Return when actually removed from storage account</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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<sup>a</sup> Distilled at 100° and under
<sup>b</sup> Distilled at over 100°
Monthly Report of Processing Operations: TTB F 5110.28

- Shows what was received from production, storage, other distilleries or customs
- Addition of flavors, blending, bottling
- Removal of bottled product
- Tax determination of bottled product occurs
- Storage of bottled product
- Reclassification of product can occur
**Monthly Report of Processing Operations:**

**TTB F 5110.28**

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**DEPARTMENT OF THE TREASURY**  
**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)**  
**MONTHLY REPORT OF PROCESSING OPERATIONS**

1. Every proprietor engaged in processing operations must prepare this form each month in duplicate.  
2. The proprietor must forward the original to the Director, National Revenue Center, on or before the 15th day of the month following the month for which prepared.  
3. The copy is to be kept on file by the proprietor.  
4. LOCATION OF PLANT

---

**PART I - BULK INGREDIENTS**

<table>
<thead>
<tr>
<th>TRANSACTION</th>
<th>WINE (Proof gallons)</th>
<th>SPIRITS (Proof gallons)</th>
<th><strong>PART II - FINISHED PRODUCTS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. ON HAND FIRST OF MONTH</td>
<td></td>
<td></td>
<td>1. ON HAND FIRST OF MONTH</td>
</tr>
<tr>
<td>2. RECEIVED (Other than line 3)</td>
<td></td>
<td></td>
<td>2. BOTTLED OR PACKAGED</td>
</tr>
<tr>
<td>3. ALCOHOL FOR FUEL USE RECEIVED FROM CUSTOMS CUSTODY</td>
<td></td>
<td></td>
<td>3. RECEIVED</td>
</tr>
<tr>
<td>4. ALCOHOL FLAVOR MATERIALS DUMPED</td>
<td></td>
<td></td>
<td>4. INVENTORY OVERTAGES</td>
</tr>
<tr>
<td>5. WINE MIXED WITH SPIRITS</td>
<td></td>
<td></td>
<td>5. TOTAL - LINES 27 THROUGH 30</td>
</tr>
</tbody>
</table>

**Line 25 of Previous report**  
**Line 46 of Previous report**  
**Line 9**  
**Line 17**  
**Line 9(e)**
Monthly Report of Processing (Denaturing) Operations: TTB F 5110.43

• Only filed by industrial DSPs that are approved for denaturing operations
• Shows denaturing activity for the month
• There is a yearly withdrawal amount requirement
### Monthly Report of Processing (Denaturing) Operations: TTB F 5110.43

#### DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
MONTHLY REPORT OF PROCESSING (DENATURING) OPERATIONS

<table>
<thead>
<tr>
<th>NAME OF PROPRIETOR</th>
<th>LOCATION OF PLANT</th>
<th>PLANT NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### SECTION I - DENATURED SPIRITS

<table>
<thead>
<tr>
<th>TRANSACTION</th>
<th>WINE GALLONS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>COMPLETELY DENATURED ALCOHOL (a)</td>
</tr>
<tr>
<td>1. On hand first of month</td>
<td>[ ]</td>
</tr>
<tr>
<td>2. Produced</td>
<td>[ ]</td>
</tr>
<tr>
<td>3. Rec’d by transfer in bond</td>
<td>[ ]</td>
</tr>
<tr>
<td>4.</td>
<td>[ ]</td>
</tr>
<tr>
<td>TOTAL</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

- Line 13 of previous processing report
- Amount of denatured alcohol produced from alcohol received
- Must match Line 14 of this report

#### SECTION II - RECOVERED DENATURED SPIRITS AND RECOVERED ARTICLES RECEIVED FOR RESTORATION AND/OR REDENATURATION UNDER 27 CFR 19.683 1 AND RECOVERED DENATURED SPIRITS AND RECOVERED ARTICLES ON MY BONDED PREMISES RECEIVED FOR RESTORATION AND/OR REDENATURATION.

<table>
<thead>
<tr>
<th>TRANSACTION</th>
<th>WINE GALLONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECOVERED DENATURED SPIRITS (a)</td>
<td>[ ]</td>
</tr>
<tr>
<td>RECOVERED ARTICLES (b)</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

- Line 23 of your previous report

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ALCOHOL AND TOBACCO TAX AND TRADE BUREAU | TTB
Mailing Address for Operational Reports

If filing operations reports by mail, please be sure to use the correct address

Director, National Revenue Center
TTB
550 Main St, Suite 8002
Cincinnati, OH 45202-5215
Records, Reports, & Returns

Records

Operational Reports

Excise Tax Return
Excise Tax Return  
TTB F 5000.24

<table>
<thead>
<tr>
<th>Filing Frequency</th>
<th>Eligibility Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annually</td>
<td>You may file 1 tax return per year if you are liable for $1,000 or less of tax on spirits in the current and prior calendar year</td>
</tr>
<tr>
<td>Quarterly</td>
<td>File quarterly if you are liable for $50,000 or less of tax on spirits in the current and prior calendar year</td>
</tr>
<tr>
<td>Semi-monthly</td>
<td>You must file a tax return two times per month if you are liable for more than $50,000 in spirits tax in the current and prior calendar year</td>
</tr>
</tbody>
</table>

Note: You can fix previous returns with an increasing or decreasing adjustment
Excise Tax Return & Payment Due Dates

Tax returns (and payment, if any) are due the 14th day after the close of the tax period
• If the due date falls on a weekend or legal holiday, the due date is the immediately preceding business day

Due date schedule for each year is available on our website
• https://www.ttb.gov/tax-audit/excise-tax-and-export-due-dates
## Excise Tax Return

### 1. Serial Number

### 3. Amount of Payment

$ [Blank]

**Note:** Please make checks or money orders payable to the Alcohol and Tobacco Tax and Trade Bureau (show employer identification number on all checks or money orders). If you send a check, see paper check conversion notice below.

### 4. Return Covers (Check one)

- [ ] Beginning
- [ ] Ending

**For TTB Use Only**

### 5. Date Products to Be Removed (For Prepayment Returns Only)

### 6. Employer Identification Number

### 7. Plant, Registry, or Permit Number

**Tax** $ [Blank]

**Penalty** $ [Blank]

**Interest** $ [Blank]

**Total** $ [Blank]

Examined by: [Blank]

Date Examined: [Blank]

### Calculation of Tax Due

<table>
<thead>
<tr>
<th>Product</th>
<th>AMOUNT OF TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. Distilled Spirits</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>10. Wine</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>11. Beer</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>12. Cigars</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>13. Cigarettes</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>14. Cigarette Papers and/or Cigarette Tubes</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>15. Chewing Tobacco and/or Snuff</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>16. Pipe Tobacco and/or Roll-Your-Own Tobacco</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>17. Total Tax Liability (Total of lines 9-16)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>18. Adjustments Increasing Amount Due (From line 29)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>19. Gross Amount Due (Line 17 plus line 18)</td>
<td>$ [Blank]</td>
</tr>
<tr>
<td>20. Adjustments Decreasing Amount Due (From lines 34)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>21. Amount to be Paid with this Return (Line 19 minus line 20)</td>
<td>$ [Blank]</td>
</tr>
</tbody>
</table>

**Under penalties of perjury, I declare that I have examined this return (including any accompanying explanations, statements, schedules, and forms) and to the best of my knowledge and belief it is true, correct, and includes all transactions and tax liabilities required by law or regulations to be reported.**

### 22. Date

### 23. Signature

### 24. Title
### Schedule A - Adjustments Increasing Amount Due

<table>
<thead>
<tr>
<th>EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS</th>
<th>AMOUNT OF ADJUSTMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>(b) TAX</td>
</tr>
<tr>
<td>25.</td>
<td>$</td>
</tr>
<tr>
<td>26.</td>
<td>$</td>
</tr>
<tr>
<td>27.</td>
<td>$</td>
</tr>
<tr>
<td>28. SUBTOTALS OF COLUMNS (b), (c), and (d)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>29. TOTAL ADJUSTMENTS INCREASING AMOUNT DUE</td>
<td>(Line 28, Col (b) + (c) + (d)) Enter here and on line 18.</td>
</tr>
</tbody>
</table>

### Schedule B - Adjustments Decreasing Amount Due

<table>
<thead>
<tr>
<th>EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS</th>
<th>AMOUNT OF ADJUSTMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>(b) TAX</td>
</tr>
<tr>
<td>30.</td>
<td>$</td>
</tr>
<tr>
<td>31.</td>
<td>$</td>
</tr>
<tr>
<td>32.</td>
<td>$</td>
</tr>
<tr>
<td>33. SUBTOTALS OF COLUMNS (b) and (c)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE</td>
<td>(Line 33, Col (b) + (c)) Enter here and on line 20.</td>
</tr>
</tbody>
</table>

Notice to Customers Making Payment by Check

If you send us a check, it will be converted into an electronic funds transfer (EFT). This means we will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will usually occur within 24 hours, and will be shown on your regular account statement.

You will not receive your original check back. We will destroy your original check, but we will keep the copy of it. If the EFT cannot be processed for technical reasons, you authorize us to process the copy in place of your original check. If the EFT cannot be completed because of insufficient funds, we may try to make the transfer up to 2 times.

TTB F 5000.24sm (11/2016)
The Craft Beverage Modernization Act was made permanent at the end of 2020 making the reduced rates for distilled spirits permanent.

- Ensure you are using the appropriate tax rates for distilled spirits removed or imported
- Single Taxpayer
- Controlled Groups

You must have distilled or processed the spirits to qualify for the reduced rates!
Craft Beverage Modernization Act (CMBA)  
Effective January 1, 2022  

• Beginning in 2022, only DSPs who perform a processing activity other than bottling are entitled to take a CBMA reduced rate on distilled spirits that they process and remove  

• TTB is currently developing guidance on which processing activities qualify the DSP for a reduced rate
Tax Rates*

$2.70 for the 1st 100,000 proof gallons removed each calendar year

$13.34 for over 100,000 up to 22,230,000 proof gallons

$13.50 for over 22,230,000 proof gallons

*Reduced tax rates may be limited if you are part of a controlled group or a single taxpayer arrangement
How to Determine Tax Liability

Depending on when you remove your product from DSP premises, include removals found on:

• Line 1 of the production report
• Line 7 of the storage report
• Line 13 and Line 33 of the processing report

Example: If you remove 100 proof gallons, and your annual removals that year are under 100,000 proof gallons, your tax rate is $2.70 and your tax liability is $270.00
You may electronically file tax returns, file operations reports, and pay taxes through Pay.gov

• Secure
• Convenient and fast
• Free
• Checks entries and totals for accuracy

For more information on how to register, go to https://www.ttb.gov/epayment/epayment.shtml
Mailing Address for Returns & Payments

• If filing by mail, please be sure to use the correct address
• Late returns or payment are subject to penalties and interest

DO NOT mail returns or payments to the National Revenue Center in Cincinnati, Ohio

TTB
Excise Tax
P.O. Box 790353
St. Louis, MO  63179-0353
Online Claims Submission

Use our online submission process to file and receive payment for claims

• Submit a Claim Online