

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) Firefly Distillery, LLC 6775 Bears Bluff Road Wadmalaw Island, South Carolina 29487	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER 10,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	
	5. CASE NUMBER	
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ 79,286.43	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE

VIOLATIONS:

During the period April 16, 2008 to July 15, 2010, the proponent allegedly (1) failed to properly file a claim for refund of spirits returned to bonded space in violation of 27 C.F.R. 19.42; (2) took a decreasing adjustment on their tax return for the amounts of the credit due in anticipation of the credit in violation of 27 C.F.R. 19.45; (3) failed to maintain records of losses or shortages of spirits received into the storage account in violation of 27 C.F.R. 19.562(c); (4) failed to properly report ending inventory on the Monthly Report of Processing Operations TTB F 5110.28 in violation of 27 C.F.R. 19.565; (5) failed to determine shortages of finished products as well as bulk in violation 27 C.F.R. 19.562; (6) failed to properly calculate and pay excise taxes due on spirits at the time of removal in violation of 27 C.F.R. 19.25; (7) failed to pay excise tax on spirits it donated to organizations in violation of 27 C.F.R. 19.515; (8) failed to pay excise tax on spirits removed to the distillery tasting room for retail sales in violation of 27 C.F.R. 19.515; (9) failed to pay excise tax on spirits used for customer taste testing in violation of 27 C.F.R. 19.515; and (10) removed nine bottles of spirits amounting to 1.27 proof gallons without reporting or tax paying the removal in violation of 27 C.F.R. 19.515.

BUSINESS IN WHICH ENGAGED:

The proponent is a duly qualified Distilled Spirits Plant.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:

The alleged violations occurred from April 16, 2008 to July 15, 2010 at the proponent's premises located at 6775 Bears Bluff Road, Wadmalaw Island, South Carolina 29487.

AMOUNT AND TERMS OF OFFER:

The proponent has submitted an offer of \$10,000.00 in compromise of the above alleged violations incurred under the Internal Revenue Code.

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]

11. DATE
3/22/11