TTB Bootcamp for Brewers

CRAFT BREWERS CONFERENCE ONLINE

MAY 2020

TTB Disclaimer

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 (TTB) 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 applicable laws and regulations for the most current requirements.

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

Labeling

KAORI FLORES

ASSISTANT DIRECTOR, MALT BEVERAGE AND DISTILLED SPIRITS LABELING

ALCOHOL LABELING AND FORMULATION DIVISION

COLAs:

What, Who, Why, When, and How?

What is a COLA?

- **C**ertificate **O**f **L**abel **A**pproval
- Authorizes:
  - The bottling or packing of malt beverages, or
  - The removal of bottled malt beverages from customs custody (Imports)
  - The product must bear labels identical to the labels affixed to the face of the certificate, or labels with changes authorized by the certificate
- TTB's approval of a COLA does not constitute trademark protection
- See TTB Form 5100.31

27 CFR 13.11

Who Can File an Application for a COLA?

- In order to file an application for label approval, you must have either:
  - A Brewer's Notice, or
  - A Basic Permit (Importer)
- Permits and Brewer's Notices are issued by the TTB National Revenue Center in Cincinnati, Ohio
  - Permits Online
  - (877) 882-3277 or (877) TTB-FAQS

Why Do I Need a COLA?

- A COLA is required by law
  - The FAA Act makes it unlawful for any person engaged in the business as a brewer, importer, or wholesaler of malt beverages to sell or ship, or deliver for sale or shipment, or otherwise introduce, in interstate or foreign commerce, or to remove from customs custody for consumption, malt beverages in bottles, unless they are bottled, packaged, and labeled in conformity with the regulations in 27 CFR part 7
  - With regard to malt beverages sold in interstate commerce, the labeling provisions of the FAA Act apply only to the extent that there is similar state law
- The FAA Act generally requires bottlers and importers of malt beverages to obtain a COLA in order to prevent the sale or other introduction of products that are bottled, packaged, or labeled in violation of law

At What Stage Do I Apply for Label Approval?

- The COLA must be obtained prior to bottling (for domestically bottled malt beverages) and prior to removal from customs custody (for imported containers of malt beverages)
- Bottling includes placing malt beverages in containers such as cans and kegs
- See TTB website for information processing times for COLA applications
  - https://www.ttb.gov/main-pages/processing-times

When is a COLA Not Required?

- When a beer is not a malt beverage under the FAA Act:
  - Usually because it is not made with both malted barley and hops (See TTB Ruling 2008-3)
  - Special rules apply to saké, which is labeled as a wine under the FAA Act if it has at least 7 percent alcohol by volume

- When a malt beverage will be sold exclusively in the state in which it was bottled:
  - Unless the state where the malt beverage is bottled requires an approved COLA from TTB
  - See TTB Ruling 2013-1

- The following regulatory requirements apply regardless of COLA requirements:
  - Government Health Warning Statement per 27 CFR part 16
  - Markings per 27 CFR part 25, Subpart J (for domestic brewers)
  - Formula for domestic beers under part 25 (when applicable)

How Do I Apply for Label Approval?

- We encourage you to use COLAs Online
  - Step-by-step guidance
  - Validation checks along the way
  - Application status updates via email
- COLAs Online Customer Page
- You must register for a COLAs Online account before you can use it

Label Information

Mandatory Label Information

Must be on the Brand Label:

- **Brand name** (27 CFR 7.23)
- **Class** (27 CFR 7.24)
- **Name and address** (Domestic) (27 CFR 7.25)
- **Net contents** (27 CFR 7.27)
- **Alcohol content** (for malt beverages containing alcohol derived from added flavors or other nonbeverage ingredients (other than hops extract)) (27 CFR 7.22)

May be on Any Label:

- **Government Health Warning** (27 CFR 16.21-22)
- **Name and address** (Imported) (27 CFR 7.25)
- **Country of origin** (Imported)
- **Declaration of certain ingredients** (when used): (27 CFR 7.22)
  - Aspartame
  - Sulfites
  - FD&C yellow #5
  - Cochineal extract or carmine

Mandatory Label Information

General Requirements

- Must be readily legible under ordinary conditions, and must appear on a contrasting background
- Other than the brand name, must be in English, with exceptions for malt beverages bottled for consumption in Puerto Rico
- For information about type size requirements, refer to
  - 27 CFR 7.28 General Requirements, or
  - TTB Malt Beverage BAM (Beverage Alcohol Manual)

27 CFR 7.28

Mandatory Label Information | Example

PART I - APPLICATION

2. PLANT REGISTRY/BASIC PERMIT/BREWER'S NO. *(Required)*	3. SOURCE OF PRODUCT *(Required)* ☑ Domestic ☐ Imported
4. SERIAL NUMBER *(Required)*	5. TYPE OF PRODUCT *(Required)* ☐ WINE ☐ DISTILLED SPIRITS ☑ MALT BEVERAGE
6. BRAND NAME *(Required)* Example	

8. NAME AND ADDRESS OF APPLICANT AS SHOWN ON PLANT REGISTRY, BASIC PERMIT OR BREWER'S NOTICE. INCLUDE APPROVED DBA OR TRADENAME IF USED ON LABEL *(Required)*
Fake Brewery Name
1234 Road
Arlington, VA

BRAND LABEL:

BACK LABEL:

Mandatory Label Information:

1) Brand Name
2) Name and Address
3) Class/Type
4) Net Contents
5) Government Warning
6) Alcohol Content (Optional)

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Mandatory Label Information

Brand Name

- Name under which the malt beverage is marketed
- If the malt beverage is not sold under a brand name, then the name of the bottler or importer is considered the brand name
- Common Mistakes:
  - Brand name on the label is not correctly entered on the application
  - Class/type is entered in the brand name field on the application
    - Example: 6. BRAND NAME *(Required)* **ALE** ✖

27 CFR 7.23

COLAs Online

Conditional Approval Status

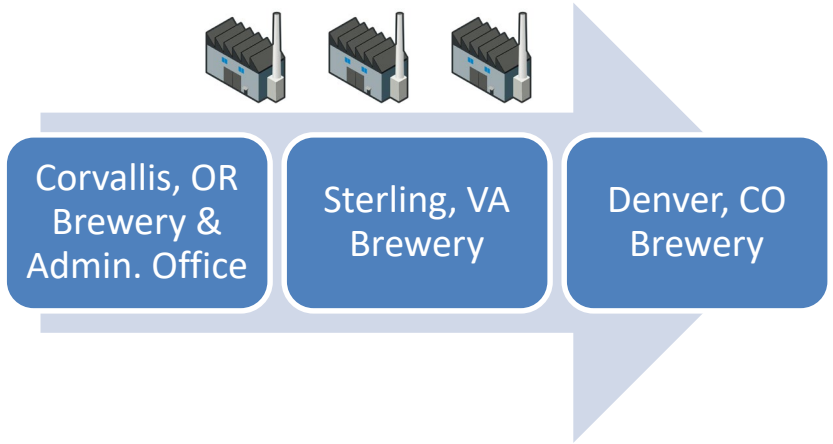
- Under limited circumstances, TTB may propose changes to the information you entered in the application to make it match the label you submitted
- After the specialist proposes the changes, the status is **Conditionally Approved**
- You must review the proposed changes and then either **accept** them, which results in immediate approval of the COLA, or **decline** them, in which case you can make any necessary changes yourself and resubmit
- Which application fields are involved?
  - Brand name
  - Fanciful name

Mandatory Label Information

Name and Address

- City and state of bottler/packer
- Trade name or DBA (doing business as) is allowed
- Principal place of business of the producing brewer may be used in lieu of listing all brewing locations when owning multiple brewing locations

Example: *Hype Brewing Co. brews lager at all three of their facilities*



Name and Address Statement Options:

- Brewed/Bottled by Hype Brewing Co. Corvallis OR, Sterling VA, & Denver CO
- Brewed/Bottled by Hype Brewing Co. Corvallis, OR (principal place of business)

27 CFR 7.25

Who Gets the COLA in a Contract Brewing Arrangement?

- Contract Brewing is an arrangement in which one person pays a brewing company to produce beer for them
- Contract Brewer is responsible for:
  - Brewing product
  - Formula submission
  - COLA submission
  - Keeping appropriate brewery records
  - Paying taxes upon removal from the brewery

Who Gets the COLA in an Alternating Proprietorship Arrangement?

- An alternating proprietorship is when two or more people take turns using the physical premises of a brewery
- Both the host and the tenant must qualify as a brewer and are responsible for:
  - Obtaining Brewer's Notice
  - Producing beer
  - Keeping and maintaining brewing records
  - Obtaining COLAs and Formulas
  - Paying appropriate taxes upon removal

Name and Address | Common Mistakes

- Leaving name and address off of the label
- City and state on label do not match the address on the Brewer's Notice
- Not using a DBA for contract brewing
- Label contains name and address for contractee and not the contract (producing) brewer

Contract Brewing | Example 1

PART I - APPLICATION

2. PLANT REGISTRY/BASIC PERMIT/BREWER'S NO. *(Required)*	3. SOURCE OF PRODUCT *(Required)* ☑ Domestic ☐ Imported
4. SERIAL NUMBER *(Required)*	5. TYPE OF PRODUCT *(Required)* ☐ WINE ☐ DISTILLED SPIRITS ☑ MALT BEVERAGE

8. NAME AND ADDRESS OF APPLICANT AS SHOWN ON PLANT REGISTRY, BASIC PERMIT OR BREWER'S NOTICE. INCLUDE APPROVED DBA OR TRADENAME IF USED ON LABEL *(Required)*

Beer Brewing Company
123 Road
Baltimore, MD XXXXX
DBA: Example Brewing Co.

6. BRAND NAME *(Required)*
Example Brewing Co.

7. FANCIFUL NAME *(If any)*
Golden Ale

Scenario 1:
Example Brewing Co. has asked *Beer Brewing Company* to produce their product to help meet demand

As part of the contract *Beer Brewing Company* is allowed to take on the tradename *Example Brewing Co.*

Contract Brewing | Example 2

PART I - APPLICATION

2. PLANT REGISTRY/BASIC PERMIT/BREWER'S NO. *(Required)*	3. SOURCE OF PRODUCT *(Required)*	8. NAME AND ADDRESS OF APPLICANT AS SHOWN ON PLANT REGISTRY, BASIC PERMIT OR BREWER'S NOTICE. INCLUDE APPROVED DBA OR TRADENAME IF USED ON LABEL *(Required)*
	☑ Domestic ☐ Imported	Beer Brewing Company 123 Road Baltimore, MD XXXXX DBA: Example Brewing Co.
4. SERIAL NUMBER *(Required)*	5. TYPE OF PRODUCT *(Required)* ☐ WINE ☐ DISTILLED SPIRITS ☑ MALT BEVERAGE	
6. BRAND NAME *(Required)* Example Brewing Co.		
7. FANCIFUL NAME *(If any)* Golden Ale		

Same as **scenario 1**, but now the Golden Ale will be produced at **both** brewery locations

- *Beer Brewing Company* in Baltimore MD, and…
- *Example Brewing Co.* in Arlington, VA

Mandatory Label Information

Net Contents

- Must use English units of measure (fluid ounces, pints, quarts, gallons)
- May show both metric and English units on the label
  - 1 pint 9.4 fl. oz. (750 mL)

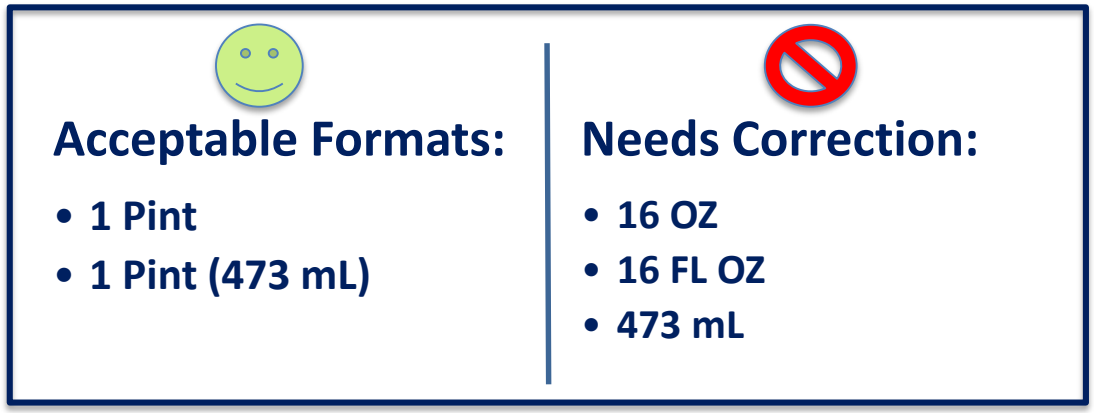
CONTENTS OF CONTAINER	NET CONTENTS MUST BE SHOWN IN…	EXAMPLES	
		CONTAINER SIZE	LABEL NET CONTENTS STATEMENT MUST BE…
Less than 1 pint	Fluid ounces or fractions of a pint	8 ounces	8 fluid ounces (fl. oz.) **or** ½ pint (pt.) **or** 0.5 pint (pt.)
1 pint	Pints	16 ounces	1 pint (pt.)
More than 1 pint but less than 1 quart	Pints and fluid ounces or fractions of a quart	20 ounces	1 pint (pt.), 4 fluid ounces (fl. oz.) **or** 5/8 quart (qt.) **or** 0.63 quart (qt.)
1 quart	Quarts	32 ounces	1 quart (qt.)
More than 1 quart but less than 1 gallon	Quarts, pints and fluid ounces or fractions of a gallon	60 ounces	1 quart (qt.), 1 pint (pt.), 12 fluid ounces (fl. oz.) **or** 15/32 gallon (gal.) **or** 0.47 gallon (gal.)
1 gallon	Gallons	128 ounces	1 gallon (gal.)
More than 1 gallon	Gallons and fractions of gallons	166 ounces	1 ¼ gallons (gals.) **or** 1.25 gallons (gals.)

27 CFR 7.27

Net Contents| Common Mistakes

- Stating just **oz.** instead of **fl. oz.**
- Stating **16 fl. oz.** instead of **1 pint** (may list both)

Example:



- Not converting measurements into pints and fluid ounces (22 fl. oz. vs. 1 pint 6 fl. oz.)
- Showing only metric units (750 mL)

Mandatory Label Information

Alcohol Content

- **Alcohol By Volume**:
  - Mandatory if any alcohol is derived from added flavors or other added nonbeverage ingredients (other than hops extract) containing alcohol
  - Otherwise, it is optional (unless required by state law)
- **Alcohol By Weight**:
  - As of May 4, 2020, you may optionally include alcohol by weight together with the statement of alcohol by volume

Approved Formats:	
Alcohol By Volume:	**Alcohol By Weight:**
Alcohol (ALC) __% by Volume (VOL)	Alcohol (ALC) ___% by Weight
Alcohol (ALC) by Volume (VOL) __%	Alcohol (ALC) by Weight __%
__% Alcohol (ALC) by Volume (VOL)	___% Alcohol (ALC) by Weight
__% Alcohol (ALC)/Volume (VOL)	___% Alcohol (ALC) / Weight

27 CFR 7.71

Alcohol Content | Common Mistakes

- Using an incorrect format
  - **ABV** & **ABW** are not permitted - you must spell out the words or use the abbreviations allowed by 27 CFR 7.71(b)(3)

    Example: ✖ 5% ABV vs. ✓ **5% ALC/VOL**
- Leaving off part of the phrase or the percent symbol (%)
- Not listing alcohol content on the label for products that contain added alcohol from a flavor

Mandatory Label Information

Health Warning Statement

- Must be readily legible under ordinary conditions and on a contrasting background
- Must be separate and apart from all other label text
- The words **GOVERNMENT WARNING** must appear in capital letters and bold type

GOVERNMENT WARNING: (1) According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects. (2) Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problems.

27 CFR part 16

Mandatory Label Information

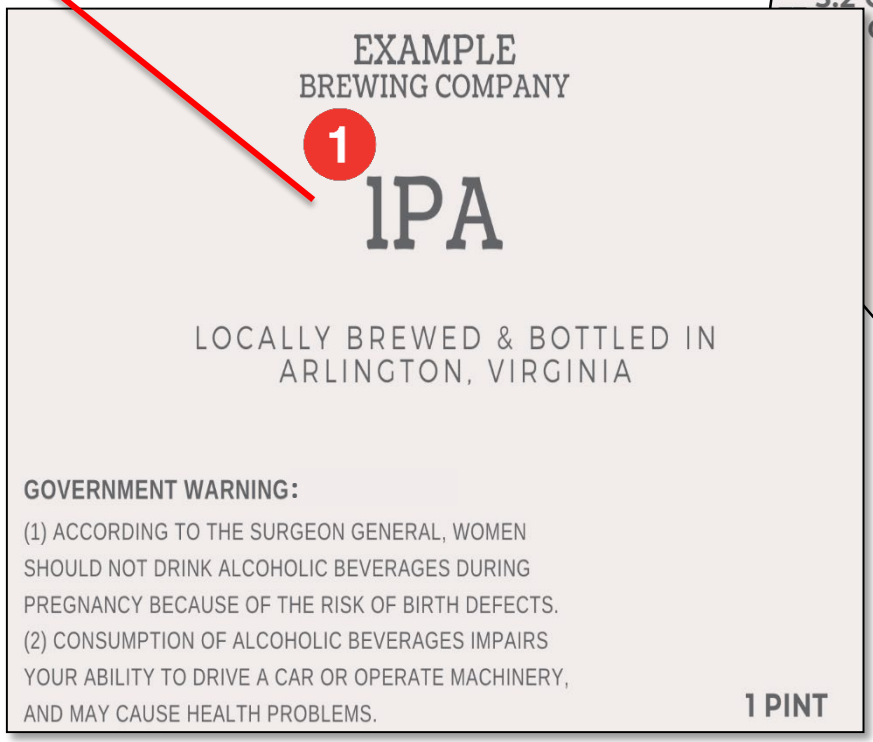
Class and Type

- The specific identity of a malt beverage
- The designation of malt beverages is based on trade understandings of the characteristics generally attributed to the particular malt beverage
  - Ale, Beer, Malt Liquor, Stout, Ice Beer, Porter and India Pale Ale are all acceptable as the class designation of a malt beverage
- Malt beverages that do not have the characteristics of the above designations must be labeled with additional information

27 CFR 7.24

Class/Type for Non-Flavored Malt Beverages | Common Mistakes

IPA is not sufficient as a class/type statement. **Ale** or **India Pale Ale** must appear on the brand label.



The class designation (ale, stout, etc.) is missing. [**Beer** with a colon is considered a heading, and not a class/type.]

Dunkelweizen and styles, such as **Hefeweizen**, **Bock, Tripel**, **Bier**, etc. are not sufficient class designations in and of themselves, and need to be further qualified by adding **Ale**, **Beer** etc. afterwards.

Image from canva.com/templates/labels

Geographical Names

- Geographical names for distinctive types of malt beverages shall not be applied to malt beverages produced in any place other than the particular region indicated by the name unless qualified with text such as **STYLE** or **PRODUCT OF THE USA** or other text to indicate the true place of production

- Common Mistakes
  - **India Pale Lager** or **India Session Ale** appearing without qualifiers (such as **Style** or **Product of USA**)
  - **Product of the USA** does not appear in direct conjunction with the geographically significant reference (text or imagery)

27 CFR 7.24(f)-(h)

Geographical Names of Distinctive Types

Names that have lost geographic significance (no qualifier required)
• India Pale Ale • Baltic Porter • Bohemian • Russian Imperial Stout • Imperial Russian Stout • Scotch Ale • Scottish Ale

Examples of names that still have geographic significance* (qualifier required)
• Belgian • Berliner • English • Irish • Kolsch • Mexican • Vienna • New England • West Coast (or similar) *Not a Complete List

Geographic Significance | Example

Unlike **India Pale Ale, India Pale Lager** has not lost its geographic significance

Geographically significant malt beverage styles produced in a country other than the one indicated must be properly qualified with **style** or a phrase such as **Product of USA**

Geographic Significance (Domestic) | Example

New England is geographically significant to the following six states: Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, and Connecticut

Place of Production

Since this product is produced in Virginia, **New England** needed to be further qualified with the word **Style**

Mandatory Information

Class and Type – Flavored Malt Beverages (R 2015-1)

- Specific malt beverage ingredients and processes forego formulation requirement under **TTB Ruling 2015-1**
- The process of aging beer is exempt, however DS or wine barrels, woodchips, or staves should have no discernible quantity of spirits or wine

- **Labeling Requirements**:
  - Class/type may be stated as either a Designation or Statement of Composition
  - Fanciful Names are not required
  - Aging of a product does not need to be called out as part of the Class/type

Flavoring Ingredient used:	Raspberry puree
Is a formula required?	NO (exempt under 2015-1)
Labeling options: • **in accordance with trade understanding** • **Statement of Composition**	 Fruit Ale Raspberry Ale Ale with Natural Flavor Ale with Raspberries

Ingredients and Processes Exempt From Formulas

- You will find a list of processes and ingredients that do not require formula review in TTB Ruling 2015-1

  - 2015-1 Ingredients and Processes Used in the Production of Beer Not Subject to Formula Requirements
    - Exempt Ingredients and Processes Determined to be Traditional Under TTB Ruling 2015–1
    - Examples of Adequate and Inadequate Designations in Accordance with Trade Understanding

- The ruling has two attachments
  - Exempt Ingredients and Processes Determined to be Traditional
  - Examples of Adequate and Inadequate Designations in Accordance with Trade Understanding

TTB Ruling 2015-1 List of Exemptions – Attachment 1

Exempt Ingredients and Processes Determined to be Traditional Under TTB Ruling 2015–1

TTB Ruling 2015-1
Attachment 1

Exempt Ingredients Under the Conditions of TTB Ruling 2015-1

Industry members are responsible for ensuring that all ingredients, including any parts of fruit, used in the production of malt beverages or beer are wholesome products suitable for human food consumption and comply with applicable ingredient safety regulations of the Food and Drug Administration.

INGREDIENT	DESCRIPTION/LIMITATION
AGAVE	Whole, juice, puree, or concentrate. ***Does not*** include extracts, essential oils, or syrups.
ALLSPICE	As outlined in FDA's GRAS listing at 21 CFR 182.10. Spices may be whole or ground. ***Does not*** include extracts, essential oils, or syrups.
ANISE	As outlined in FDA's GRAS listing at 21 CFR 182.10. Spices may be whole or ground. ***Does not*** include extracts, essential oils, or syrups.
APPLES	Whole, juice, puree, or concentrate. ***Does not*** include extracts, essential oils, or syrups.
APRICOTS	Whole, juice, puree, or concentrate. ***Does not*** include extracts, essential oils, or syrups.

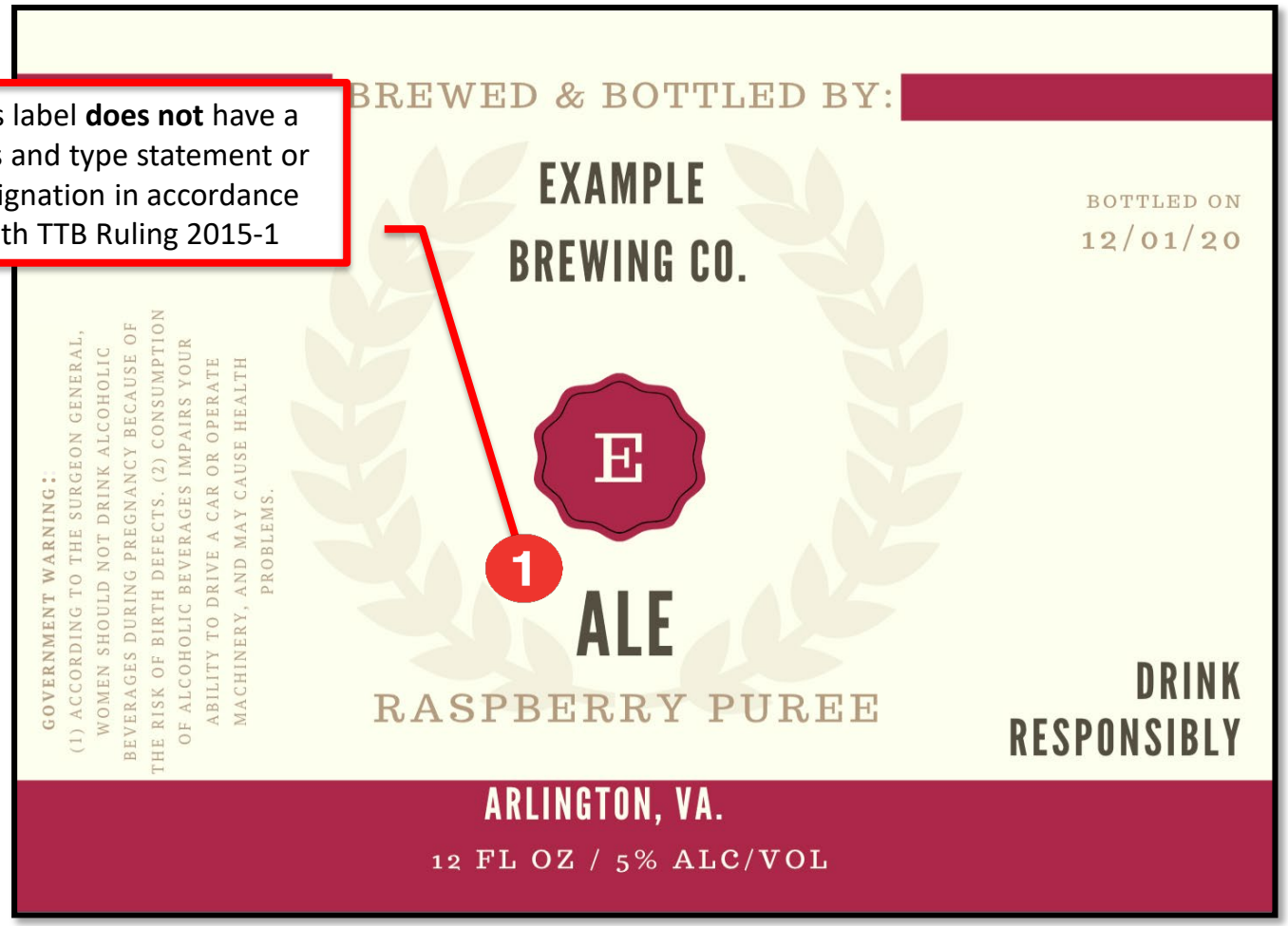
2015-1 Examples of Designations – Attachment 2

Examples of Adequate and Inadequate Designations in Accordance with Trade Understanding

Description of product	Examples of statements of composition that will continue to be allowed as designations in accordance with trade understanding under this ruling.	Examples of adequate designations in accordance with trade understanding.	Examples of inadequate and misleading designations.* (Examples of inadequate designations are in black and misleading designations are designated as such and appear in red.)
Beer brewed with cherry juice	• Beer brewed with cherry juice • Malt beverage fermented with natural flavor (*Kriek* may be added as optional additional information.)	• Fruit beer • Cherry beer (*Kriek* may be added as optional additional information.)	• Cherry delight • *Kriek* • Bob's Beer • Beer • Malt beverage
Beer with cherry juice added after fermentation	• Beer flavored with cherry juice • Malt beverage with natural flavor added (*Kriek* may be added as optional additional information.)	• Fruit beer • Cherry beer (*Kriek* may be added as optional additional information.)	• Cherry delight • *Kriek* • Bob's Beer Misleading designation: • Beer brewed with cherry juice

Example 1 – Class and Type Designations

This label **does not** have a class and type statement or designation in accordance with TTB Ruling 2015-1



Examples of acceptable designations/statement of composition:

- ALE WITH RASPBERRIES
  FRUITY & FRESH ✓
- FRUIT ALE
  RASPBERRY PUREE ✓
- RASPBERRY ALE ✓

Image from canva.com/templates/labels

Labels and TTB Ruling 2015-1

- **Common Mistakes:**
  - Product ingredients are not sufficiently conveyed by the style's name, for example, as **gose** or **wit**
  - Missing statement of composition, or designation
  - Leaving the class designation out of the statement of composition. The statement of composition must include the base designation
    - For example, **Made with Blueberries** vs **Ale with Blueberries**

- The class/type (beer, ale, stout, etc.) should be followed by a truthful and accurate list of flavoring ingredients
  - For example: **White Ale** made with ingredients such as coriander, orange peel, etc. use either:
    - Statement of Composition: **Ale with Coriander and Orange Peel**
    - Adequate Designation: **Spice Ale**

Mandatory Information

Class and Type – Formulated Malt Beverages

- **Does Your Product Require a Formula?**
  - Formula approval is required for brewers prior to producing certain types of beer (27 CFR 25.55)
  - Certain imported products are required to undergo formula approval prior to issuance of a certificate of label approval (27 CFR 7.31(d))
  - See TTB G 2016-1A for a chart of which beers/malt beverages require formula approval

- **Labeling Requirements**
  - Fanciful Names are required
  - Class/type must be stated as a Statement of Composition
  - Alcohol Content, as applicable

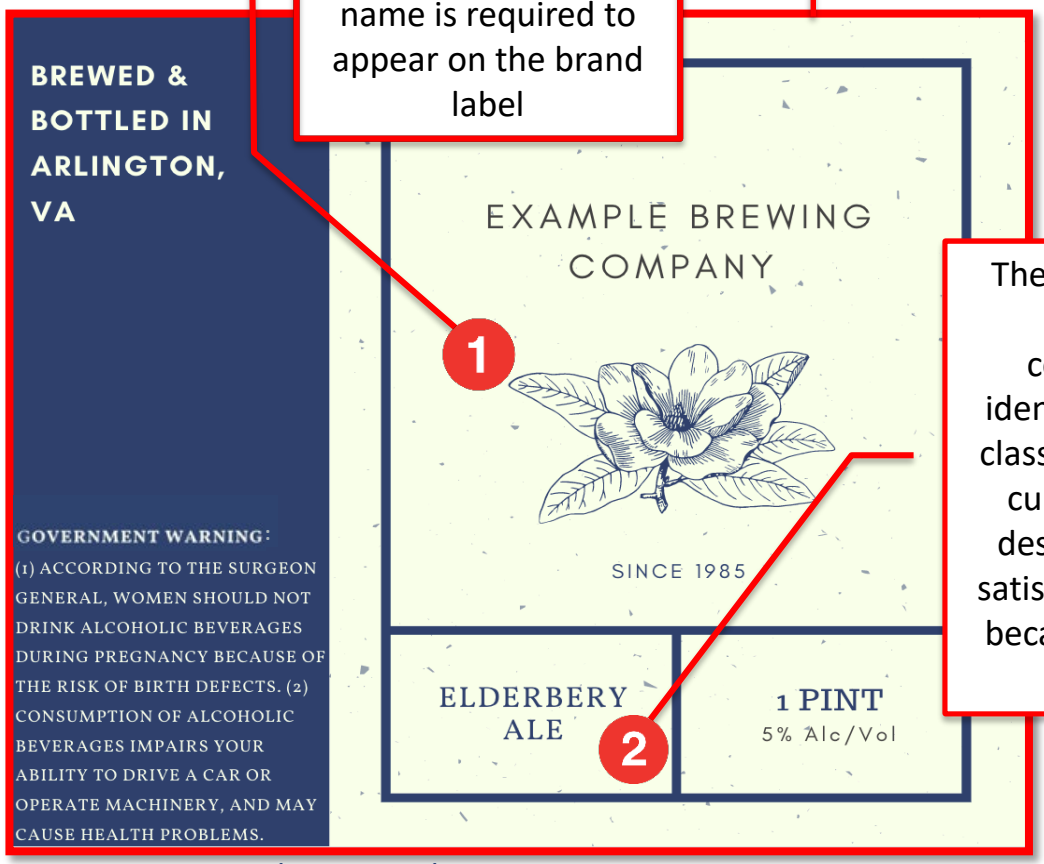
Flavoring Ingredient used:	Elderberries
Is a formula required?	YES (Not exempt under 2015-1)
Labeling options: • **Requires a Fanciful Name:** • **Requires an SOC:**	 Happily Elder After Ale with Elderberries Ale with Natural Flavor

Class and Type | Example

The fanciful name is missing. On formulated malt beverages, a fanciful name is required to appear on the brand label

6. BRAND NAME *(Required)*
Example Brewing Company

7. FANCIFUL NAME *(If any)*
Happily Elder After



The label must have a statement of composition that identifies the products class and type, which is currently missing. A designation does not satisfy this requirement because the product is formulated

Image from canva.com/templates/labels

Formulated Malt Beverages | Common Mistakes

- Common Mistakes:
  - Fanciful name is missing on the label and/or application
  - When required, the mandatory alcohol statement is missing from the application and/or does not match the ABV stated in the formula
  - The statement of composition does not accurately reflect the flavoring materials in the product as per the formula
  - Missing the base beer in the statement of composition
    - For example, **Made with Vanilla Extract** vs. **Ale with Vanilla Extract**

Things to Avoid

Prohibited Practices*

- Any statement that is false or untrue…
- Any statement … relating to any guarantee...
- Any misleading information, such as:
  - Text that implies that the product is a distilled spirit or contains a distilled spirit
  - Misleading health-related claims
  - Implied government endorsements

*Not a complete list of prohibited practices

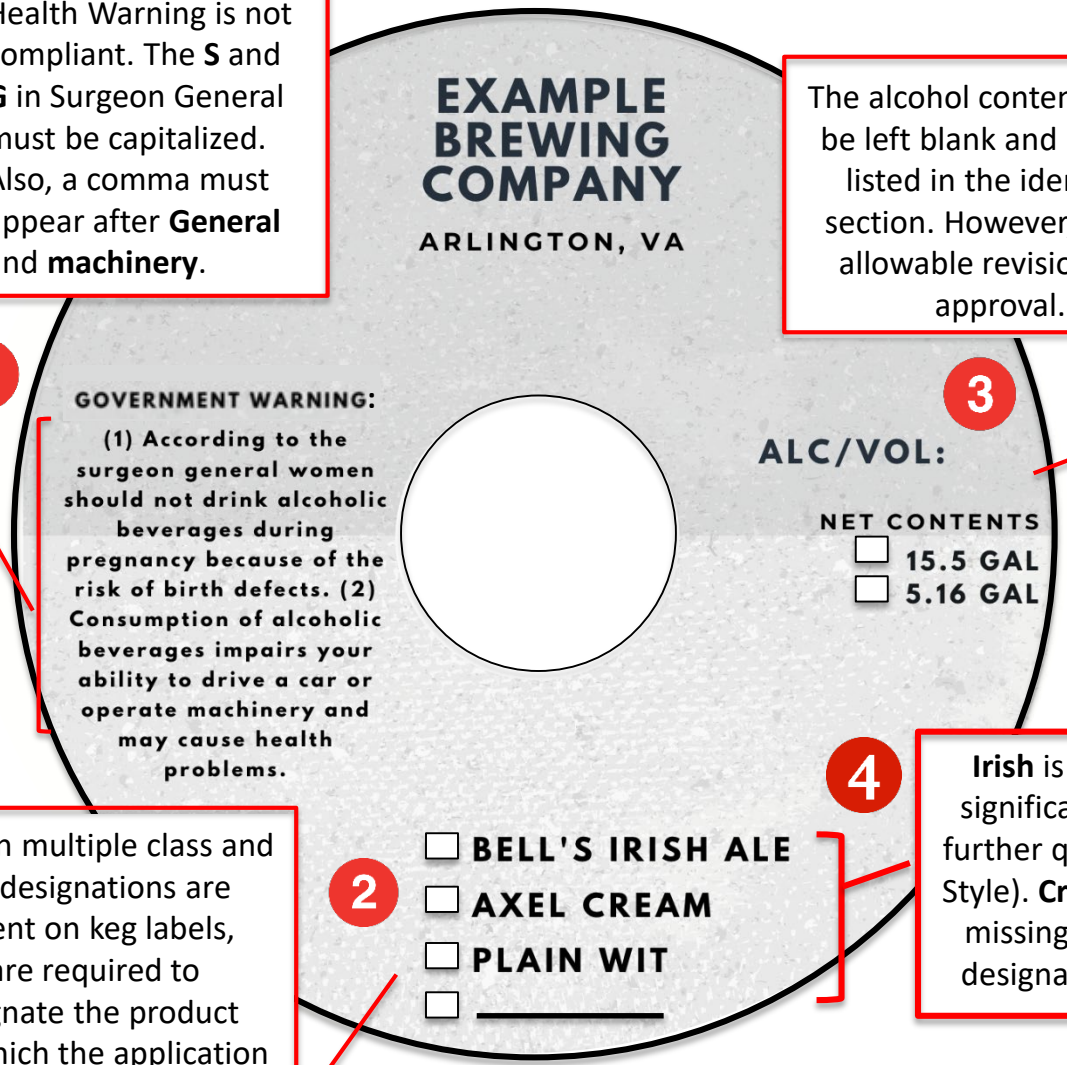
27 CFR 7.29

Kegs

- Kegs are consumer containers, just like bottles or cans
- When a COLA is required, mandatory labeling requirements must be met
- Labels bearing mandatory information must be firmly affixed and may include:
  - Keg caps
  - Collars
  - Stickers
  - Combination of formats
- Information can be handwritten on the label
  - Except for **GOVERNMENT WARNING**

Keg Label Common Mistakes| Example

The Government Health Warning is not compliant. The **S** and **G** in Surgeon General must be capitalized. Also, a comma must appear after **General** and **machinery**.



The alcohol content cannot be left blank and must be listed in the identified section. However, it is an allowable revision post approval.

When multiple class and type designations are present on keg labels, you are required to designate the product to which the application applies.

Irish is geographically significant and must be further quailed (e.g. Irish-Style). **Cream** and **Wit** are missing the Class/Type designation at the end.

When Do Your Growlers/Crowlers Require a COLA?

- **Step 1**: Determine the container type per TTB Beer FAQ B9:
- A growler/crowler is a large serving glass when a consumer uses the container to make a purchase and the brewer then fills the container
  - Consumers may furnish their own growler or may purchase it from the brewer
- A growler/crowler is a bottle and requires labeling when the brewer fills the container in advance of sale
  - The brewer may fill the growler/crowler prior to removal, on the brewery premises, or after tax determination on the brewpub premises

Labeling Requirements for Growlers/ Crowlers

Step 2: Labeling Requirements

- If a serving glass:
  - Not subject to federal labeling requirements
  - Some states may consider this bottling activity and regulate accordingly - brewers should check with state authorities
- If a bottle:
  - Subject to the federal labeling requirements of 27 CFR part 16 and part 25
  - In some states the requirements of 27 CFR part 7 also apply, then mandatory information is required

Crowler Common Mistakes | Example

The class/type designation is missing

ABV is not permitted - you must spell out the words or use the abbreviations allowed by 27 CFR 7.71. (e.g. ALC/VOL)

NOTE: Non-mandatory information can only be deleted. Once approved, changing or adding the IBU would require a new application.

The net contents is incorrectly stated. It should be stated as:
1 Quart

Note: *All information should be printed as handwritten text is not allowed*

Crowlers sold across state lines that are submitted for COLA review are required to comply with part 7, part 16 and part 25

Label should include:

- Brand Name
- Place of Production (Name and Address)
- Class/Type
- Net Contents
- Government Warning
- Alcohol Content, where applicable

Non-Alcoholic and Alcohol-Free Malt Beverages

- Terms for products containing less than 0.5% alcohol by volume
  - These terms describe the alcohol content of a product and they are not sufficient as class/type designations
- Must be labeled with a class designation of **malt beverage**, **cereal beverage**, or **near beer**, under 27 CFR 7.24(d)
  - May not be labeled as **beer**, **stout**, **lager**, **ale**, **porter**, **malt liquor**, or **lager beer**
- Other countries have different definitions

Non-Alcoholic

- Alcohol content must be less than 0.5% ABV
  - Actual alcohol content may not exceed 0.5 percent (i.e., there is no tolerance above labeled ABV)
- **Non-Alcoholic** is an optional statement, but if used, label must also state in direct conjunction **Contains less than 0.5% alcohol by volume**
- If bottled domestically, label must state **Nontaxable under section 5051 I.R.C.**
- Government Warning is not required

27 CFR 7.71(e) & 27 CFR 25.242

Non-Alcoholic | Example

This product is domestically bottled, so **Nontaxable under section 5051 I.R.C.** must appear on the label

Non-Alcoholic is an optional statement, but if used, the label must also state in direct conjunction **Contains less than 0.5% alcohol by volume**

Brew is an acceptable alternative to **Beer** but it is not a class/type designation.

This product cannot be labeled as **beer.** It must be labeled with a class designation of **malt beverage, cereal beverage,** or **near beer,** under 27 CFR 7.24(d)

Alcohol Free (0.0% Alcohol by Volume)

- **Alcohol free** and **0.0 percent alcohol by volume** may be used only on malt beverages containing no alcohol
  - If labeled with an alcohol content of 0.0 percent alcohol by volume label must also state **alcohol free**
- **Nontaxable under section 5051 I.R.C.** must appear on domestically bottled cereal beverages
  - Government Warning is not required
- Requires Formula Approval with Laboratory Sample Analysis per TTB G 2017-5A

27 CFR 7.71(c)(3) & (f), 27 CFR 25.242

Pauling Alcohol Free

NONTAXABLE
UNDER SECTION
5051 I.R.C.

An alcohol - free version of our on-tap favorite!

UPC

0.0% alc./vol.

CRISP MALTY REFRESHING

12 fl oz |Brewed by Downtown Brewing Newark, NJ | Malt Beverage

Image from publicdomainvectors.org

Non-Alcoholic & Alcohol Free | Common Mistakes

- Use of prohibited class terms (for example, ale, beer, porter, lager, stout)
- **Contains less than 0.5% alc/vol** is missing or does not appear in direct conjunction with **non-alcoholic**
- **Alcohol free** appears on products that are not 0.0% alc/vol

Light Beer & Nutritional Claims

Rulings of Interest:

- 2004-1 Caloric and Carbohydrate Representations
- 2014-2 Revised Interim Policy on Gluten Content Statements
- 2013-2 Voluntary Nutrient Content Statements

Frequently Asked Questions (FAQs) of Interest:

- FAQs on TTB Ruling 2013-2 (Serving Facts Statements)
- FAQs on Sugar Content Statements
- FAQs on Major Food Allergen Labeling
- FAQs on Organic Labeling
- FAQs on Alcohol
- FAQ [AF3]: How do I calculate the number of servings per container?

Sugar Free

- What is TTB's Definition of Sugar?
  - FAQ [SUG3] states: "the term 'sugars' refers to the sum of free monosaccharides and disaccharides in the beverage"
- What claims are allowed?
  - **Zero Sugar**, **No Sugar**, or **Sugar Free** is allowed if:
    - Serving contains less than 0.5g of sugar
    - Requires an Average Analysis or Servings Fact panel to appear on the label
    - Must be in accordance with **TTB Rulings 2004-1** and **2013-2** as it pertains to carbohydrate representation

Allergen Disclosures

- **Allergen** – a food ingredient or food group that contains a protein from the list of major food allergens

Major Food Allergens:	
Milk	**Fish (Bass, Flounder, etc.)**
Egg	**Crustacean Shellfish (Crab, Shrimp, etc.)**
Wheat	**Tree Nuts (Almonds, Pecans, etc.)**
Soybeans (Soy or Soya)	**Peanuts**

Labeling Requirements: These three require the specific source to appear on the label

- Labeling Requirements:
  - If one allergen is disclosed, then all allergens used in production of beverage must be disclosed
  - Voluntary statements may be listed in singular or plural format, and must be formatted as follows:
    - Example: **Contains: Wheat, Eggs, Pecans**

27 CFR 7.22a

Allergen Disclosures | Common Mistakes

- Including ingredients that are not one of the seven major allergens
  - For example, barley or oats
- Misstating milk

Wrong:		Right:
Contains: Lactose	→	Contains: Milk or Contains: Milk (Lactose)
Contains: Shell Fish	→	Contains: Crab
Contains: Barley	→	Remove - not an allergen

Note: Must use a colon after the word Contains

Light/Lite Beer Claims

- **Lite**, **Light**, or other nutritional claims such as **99 calories**, or **Low carbohydrate** requires that a statement of average analysis appear on the label (see TTB Ruling 2004-1)

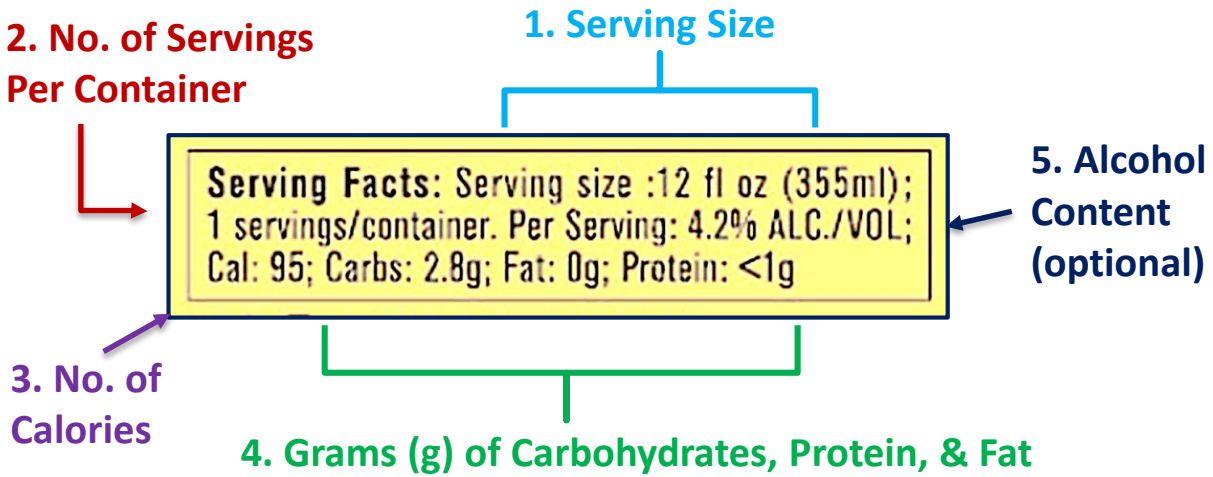
- Statement of Average analysis consists of:
  - Serving size (12 fl oz for malt beverages)
  - Calories
  - Carbohydrates (grams or g)
  - Protein (grams or g)
  - Fat (grams or g)
- FDA Nutrition Facts panel is prohibited
- Alternatively, Serving Facts Panel may be used (TTB Ruling 2013-2)

**PER 12 FL.OZ.- AVERAGE ANALYSIS:
CALORIES 99, CARBOHYDRATES 6.2 g,
PROTEIN 1.1 g, FAT 0.0 g**

Serving and Alcohol Facts

- TTB Ruling 2013-2 (modifies and amplifies TTB Ruling 2004-1)
  - Serving Facts may be used in lieu of an average analysis panel
  - Establishes an Alcohol Facts panel
  - Establishes serving sizes based on alcohol content of the finished product

What must be included in a Serving Facts Panel?



How is Serving Size Determined?

Serving Size	Alcohol Percent by Volume		
	Wine	Distilled Spirits	Malt Beverages
1.5 fl oz (44 ml), or 50 ml for 50 ml containers of distilled spirits		Above 24%	Above 24%
2.5 fl oz (74 ml)	Above 16 to 24%	Above 16 to 24%	Above 16 to 24%
5 fl oz (148 ml)	7 to 16%	Above 7 to 16%	Above 7 to16%
12 fl oz (355 ml)		Not more than 7%	Not more than 7%

What are Alcohol Facts?

- TTB Ruling 2013-2 allows for the use of an Alcohol Facts label
  - Includes:
    - Serving Size
    - Servings Per Container
    - Alcohol by Volume
    - Alcohol per Serving

- It is optional, but is not a suitable substitute for mandatory labeling requirements
- How to calculate alcohol per serving?
  - $Alcohol\ by\ Volume \times Serving\ Size = Alcohol\ per\ Serving\ (fl.\ oz.\ of\ alcohol)$
    - Example:

$$\frac{6\%}{100} \times 12\ fl\ oz\ = 0.7\ fl\ oz\ of\ alcohol$$

Light Beer - Common Mistakes

- Statement of average analysis is missing information
- Use of **light** in the additional text when discussing the finished product, without a statement of average analysis
- Adding other nutritional information to the statement
- Use of FDA or foreign nutrition facts panel

How Does a Malt Beverage Qualify to Use Crafted to Remove Gluten?

- Reduction in gluten content is verified by TTB's Laboratory – How?
- Review documentation:

a. Quantitative List of Ingredients	b. Method of Manufacture	c. Description of How the Product is Gluten Reduced

  - If necessary, a third party lab analysis and a sample may be requested

Crafted to Remove Gluten Labeling

- What labeling language is allowed for **Crafted to Remove Gluten**?
  - As provided in TTB Ruling 2014-2, a **Processed,** *or* **Treated,** *or* **Crafted to remove gluten** statement must appear together with one of the following qualifying statements:
- Product fermented from grains containing gluten and [processed or treated or crafted] to remove gluten.
- The gluten content of this product cannot be verified, and this product may contain gluten.

Alcohol Beverages Labeled with Organic Claims

- Supporting documentation will vary depending on the type of organic reference that appears on the label
- TTB will apply the requirements of the USDA organic regulations at 7 CFR part 205
  - The four labeling categories of the USDA organic regulations are as follows:
    - 100% Organic
    - Organic
    - Made with Organic [Ingredients]
    - Products containing less than 70% organic ingredients and products that are not processed by a certified organic handling operation may only identify each organically produced ingredient in an ingredient statement
- The complete USDA organic composition and labeling requirements are fully described in 7 CFR Subpart D—Labels, Labeling and Market Information

Label Modernization Changes

- Effective May 4, 2020:
  - Prohibition on strength claims eliminated
  - Alcohol by weight permitted
  - Removal of restrictions on the terms **draft** or **draught**

Can I Change My Approved Label Without a New COLA?

- Review List of Allowable COLA Revisions
  - Once a label receives TTB approval, you can make certain changes to that label without obtaining a new COLA
  - Any revisions you make to your approved labels must be in compliance with the applicable regulations
- You must be able to identify the COLA you are relying on to bottle a malt beverage in the event that TTB asks you to provide evidence that the label is covered by a COLA

Additional Regulatory Resources

Beer Laws, Regulations, and Public Guidance: www.ttb.gov/labeling/labeling-resources	
TTB Beer Rulings www.ttb.gov/beer/rulings	**Beer-Beverage Alcohol Manual (BAM)** www.ttb.gov/beer/beverage-alcohol-manual
TTB Beer Industry Circulars www.ttb.gov/beer/industry-circulars	**Beer & Malt Beverage Formulation Tool** www.ttb.gov/formulation/mbev
TTB Beer Frequently Asked Questions (FAQs) www.ttb.gov/beer/beer-faqs	**TTB G 2016-1A –Beer/Malt Beverages Requiring Formula Approval or Laboratory Sample Analysis Chart** www.ttb.gov/public-guidance/ttb-g-2016-1a
Allowable Revisions to Approved Labels www.ttb.gov/labeling/allowable-revisions	**Labeling Laws and Regulations** www.ttb.gov/labeling/laws-and-regulations

Contact Us

Questions?

Contact the Alcohol Labeling and Formulation Division at:

- 202-453-2250
- Toll Free at 866-927-ALFD (2533), OR
- Use our Alcohol Labeling and Formulation Division (ALFD) Contact Form

Representatives are Available:

8 a.m. to 4:30 p.m. ET Monday - Friday (except on federal holidays)

See our customer service desk information page for more contact information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