



Beverage DSP Registrations & Permits

STEVE POWERS

TTB APPLICATIONS SPECIALIST, NATIONAL REVENUE CENTER

OCTOBER 7, 2021



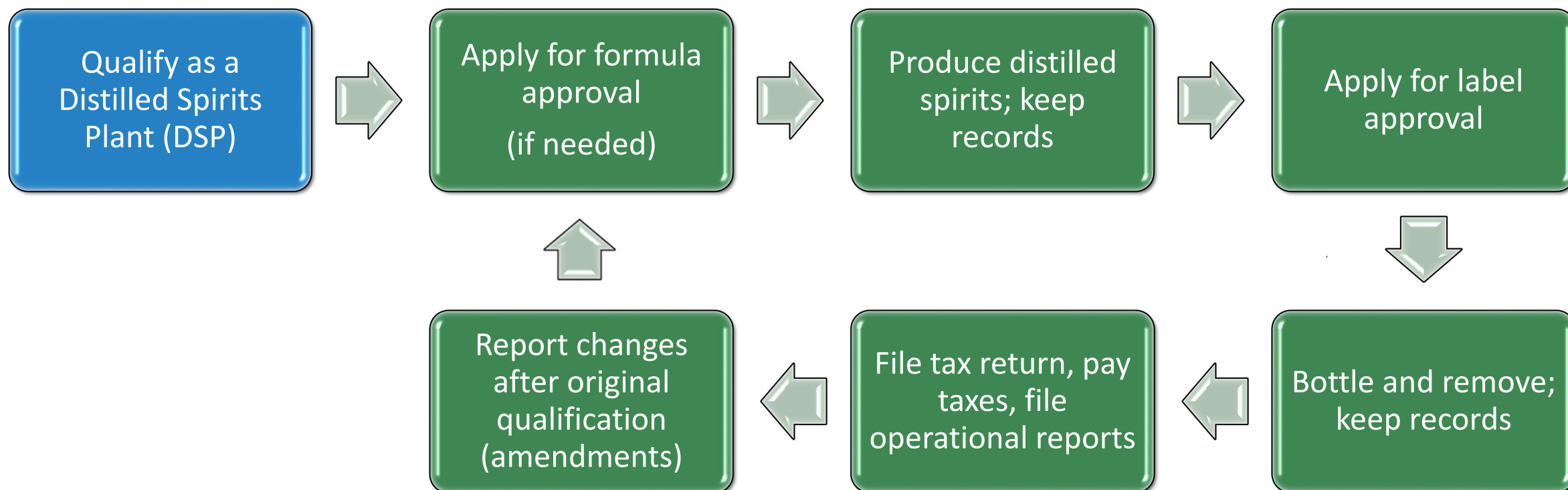
TTB Disclaimer

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



Typical TTB Lifecycle for Beverage Distilled Spirits Industry Members





Definitions

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

27 CFR 19.1



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

27 CFR 19.1



Definitions (Cont.)

DSP Operations:

- **Distiller**
 - produces spirits from an original source
- **Warehouseman**
 - stores bulk spirits in containers greater than one gallon
- **Processor**
 - Rectifies (e.g., making changes by cutting, blending, mixing)
 - Bottles

27 CFR 19.1



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.

19 CFR 19.52

26 U.S.C. 5178



Tasting Rooms

DSP applicants are asked a series of questions in Permits Online to help distinguish what can and cannot be done at a distillery

Will you have a tasting room?: *

Yes No

If you charge for samples, parking, or tours then you are prohibited from establishing a tasting room on the premises. The tasting room must be separate from the distillery with floor to ceiling walls and must have its own entrance. It cannot be part of the distilled spirits plant and must be shown on the diagram. Do you understand this requirement?: *

Yes No

If you do not plan to charge for samples, parking, or tours then the tasting room can be located on the general premises, but must be separate from the bonded premises with floor to ceiling walls, have its own entrance and be shown on the diagram. Do you understand this requirement?: *

Yes No



Retail Stores

DSP applicants are asked a series of questions in Permits Online to help distinguish what can and cannot be done at a distillery

Will you have a retail store?: Yes No

If you are only selling merchandise (e.g., shirts, souvenirs) then the retail store can be located on the general premises and should also be shown on the diagram. Do you understand this requirement?: Yes No

Do you plan to sell any alcohol in the retail store?: Yes No

If any alcohol is sold in the retail store then you are prohibited from establishing it on the premises. The retail store must be separated from the premises by floor to ceiling wall separation and have its own entrance from the outside. Do you understand this requirement?: Yes No



Bond Requirements – Do I Need One?

The PATH Act amended the Internal Revenue Code regarding bonds starting in 2017

- You only need to obtain a TTB bond if, under one EIN, you reasonably expect to be liable for more than \$50,000 in federal excise taxes in the calendar year you begin operations
- You are required to obtain a bond if at any point, under one EIN, your excise tax liability exceeds \$50,000 for the calendar year



“Bond” and “Bonded” Used in TTB Regulations

- 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 all distilleries, regardless of whether or not they hold a bond
- Examples include:
 - Bonded premises
 - Transfer in bond



Transfers in Bond

- If you will receive bulk spirits in bond from another domestic distilled spirits plant, you should complete this section of the application **even if you are not required to obtain a bond**
- Once approved, a transfer in bond form will be attached to your application and you should supply a copy to the supplier(s) transferring the spirits to you

27 CFR 19.402 & 19.403



Did You Know...?

- Generally, before you submit your application, 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

Home My Submissions Resume Draft Help

User Name or E-mail: Password: [Log in »](#)

Remember me on this computer [I've forgotten my password](#) [New Users: Register for an Account](#)



<https://www.ttbonline.gov/permitsonline/Default.aspx>



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 (Cont.)

- 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, TTB Form 5000.8
- Diagram of the DSP



Keeping your Permit Current

You must file an amendment if any of the following change:

- the legal business name
- controlling ownership
- any partner or general partner
- any stockholder or members holding ownership of 10 percent or more
- corporate officer, directors, or any titled positions
- premises location
- Bond (when required)
- construction or use of building
- operations
- DBA/Operating name
- mailing address



Keeping your Permit Current (Cont.)

Additional mandatory amendments:

Adding, revoking, or changing:

- signing authority
- power of attorney

Termination of operations

Adding or removing:

- trade names
- noncontiguous premises
- alternation of premises
- alternation of proprietor
- variance or alternate method



Permits Online Guidance

Permits Online will guide you through the entire application process, but if you want to see guidance before you start:

- [Permits Online Help Center](#)
- [Permits Online Tutorial](#)



Where can I find more information?

- [Apply for a Permit: Qualifying with TTB](#)
- [Overview of the application process](#)
- [Overview of the amended application process](#)

Contact Us

For more information on permits, contact the [TTB National Revenue Center](#) (NRC) at **877-882-3277** or send us a message using our [Online Contact Form](#)