

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 Chapters 32,51,52,53,68, and/or 78 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) The Boston Beer Company One Design Center Place, Suite 850 Boston, MA 02210	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TID/TAD	3. AMOUNT OF OFFER \$25,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	5. SYSTEM CONTROL NUMBER(S)
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE VIOLATIONS:
 It is the position of TTB that the proponent allegedly manufactured products that exceeded the authorized percentage of alcohol by volume derived from flavorings and other ingredients for malt beverages. As a consequence, the resulting products were classified as distilled spirits products. In addition, TTB alleges that certain products (1) contained a higher protein content than listed on the approved labels, and (2) revealed additions of caltac/calcium chloride and zinc sulfate that were not listed on the approved formulas. As a result, the products were not manufactured in compliance with the approved formulas and resulted in incorrect labeling formation. Consequently, the proponent allegedly violated (1) Title 27, Code of Federal Regulations, Section 25.57 and 25.58 for formula compliance; (2) 27 CFR 5.31, 5.42(a)(1), 5.55(a), 7.11, 19.21, 19.24, 19.151, 19.641, 19.643(a), 19.721, 25.15(b), and Treasury Decision TTB-21, dated January 3, 2005 for labeling information; (3) 27 CFR 7.29(a)(4), TTB Ruling 2004-1, dated April 7, 2004, and TTB Procedure 2004-1, dated July 12, 2004 for protein content labeling information; (4), 27 CFR 16.20(a) and 16.21 for government health warning statements; (5) 27 CFR 25.291 and 25.292(a)(1) for recordation of additions during the filtration stage; (6) 27 CFR 7.20(a)(b) and 7.24(a) for inaccurate label information; (7) 27 CFR 25.57(a)(1) for inaccurate labeling regarding yeast nutrients; and (8) 27 CFR 25.156(b) for failure to properly record keg weights/fill.

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

DATE OR PERIOD AND LOCATION OF VIOLATIONS:
 On or about January 1, 2006 through September 30, 2007 at 1106 South Third Street, LaCrosse, Wisconsin 54601 and 445 St. Paul Street, Rochester, New York 14605.

AMOUNT AND TERMS OF OFFER:
 The proponent has submitted an offer of \$25,000.00 in compromise of the above violations incurred under the Federal Alcohol Administration Act, the Internal Revenue Code and the Alcoholic Beverage Labeling Act of 1988.

RECOMMENDATION:
 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 Administrative Field Director	11. DATE 2/2/09
---	--------------------