Exporting Beer

Craft Brewers Conference
Nashville | May 2018
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
Overview

• Define an “export”
• Identify applicable laws and regulations
• Review export reporting process
• Review proof of exportation
• Review TTB Industry Circular 2004-3, Alcohol and Tobacco Export Documentation Procedures
Concepts and Definitions

• Not Sold in U.S. – tax liability?
• “Without payment of tax”
• “Benefit of drawback of tax”
• Exportation – Separation of goods from the U.S., with the intention of sending them to another country or to any U.S. possession
  – When does separation occur?
  – Kinds of export transactions
Laws and Regulations

• 26 U.S.C. – Chapter 51:
  o § 5053 – Removal of beer from brewery without payment of tax
  o § 5055 – Drawback of Tax – Beer

• Title 27 Code of Federal Regulations:
  o Part 25 – Beer
  o Part 28 – Exportation of Alcohol
Withdrawing Beer from a Brewery Without Payment of Tax

- Beer in bottles, kegs, or bulk containers may be exported without payment of tax when transferred from brewery premises to customs custody.
- If a bond is required, exportation is covered by bond pending receipt of proof of exportation.
Types of Exportations

• Export …
  – To contiguous country
  – To non-contiguous country
  – To Foreign-Trade Zone (FTZ)
  – For use as supplies on vessels and aircraft
  – For use of U.S. Armed Forces, overseas
# TTB Form 5130.12 - Beer for Exportation

## DEPARTMENT OF THE TREASURY - ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)

### BEER FOR EXPORTATION

**INSTRUCTIONS TO BREWER.** Execute Part I in quadruplicate, except prepare a fifth copy, marked “Consignee’s Copy,” when the shipment is for use on an aircraft. On removal of the beer, forward the original and one copy to the official designated in Item 6, send one copy to the Director, National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau (address in Item 2 below), and retain a copy in your files. If a “Consignee’s Copy” has been prepared, forward it to the airline company at the airport.

**PAPERWORK REDUCTION ACT NOTICE** - This request is in accordance with the Paperwork Reduction Act of 1995. This information collection is used by brewers to notify TTB of beer to be exported without payment of tax. This information is mandatory by 26 U.S.C. 5053.

The estimated average burden associated with this collection of information is 1 hour and 39 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to: Reports Management Officer, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW., Box 12, Washington, DC 20005.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current, valid OMB control number.

### PART I - NOTICE

2. **TO:** DIRECTOR, NATIONAL REVENUE CENTER
   ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
   550 Main St, Ste 8002
   Cincinnati, OH 45202-5215

   The undersigned gives notice of removal, without payment of tax, of the beer described below.

3. **BREWERY**

4. **ADDRESS (City and State)**

5. **REMOVED FOR**

   5a. **EXPORT TO ARMED FORCES OF U.S.**
   Yes [ ] No [ ]

   5b. **EXPORTATION TO (Name of foreign port and country)**

   5c. **TRANSFER TO FOREIGN-TRADE ZONE (Number and location)**

   5d. **SUPPLIES ON VESSEL OR AIRCRAFT**

6. **CONSIGNED TO OR IN CARE OF**

   6a. **DIRECTOR OF CUSTOMS (Port)**

   6b. **TRANSPORTATION OFFICER (Name and location)**

   6c. **CUSTOMS OFFICER IN CHARGE OF FOREIGN-TRADE ZONE (Number and location)**
## 9. DESCRIPTION OF BEER

<table>
<thead>
<tr>
<th>CONTAINERS</th>
<th>TOTAL QUANTITY</th>
<th>TAX LIABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>KIND (a)</td>
<td>NUMBER (b)</td>
<td>QTY EACH (c)</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Under penalties of perjury, I declare that the beer described above was removed, for the purpose indicated and in the manner prescribed by regulations, on the date shown in item 10.

<table>
<thead>
<tr>
<th>10. DATE REMOVED</th>
<th>11. BREWER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11a. BY (Signature and Title)
Industry Circular 2004-3

- TTB Industry Circular 2004-3, Alcohol and Tobacco Export Documentation Procedures, announced alternative procedures to having to file TTB Form 5130.12 - Beer for Exportation

- Instead of filing the form for every export, you may submit a letterhead request to submit an electronic monthly report of goods exported and keep your export records and forms at your premises
Export Process

• The export process, though documentation may vary somewhat, is essentially the same process for each type of destination:

  – TTB Form 5130.12 prepared and sent to NRC*
  – Carrier accepts goods
  – Bill of lading (BOL)/other commercial documents prepared
  – Present documents to Customs
  – Proof of export sent to NRC*

*Unless approved under Industry Circular 2004-3 to vary from requirement to file form for every export transaction
Export Process

• The brewer who is liable for the tax upon exportation is responsible for ensuring that documents trace product out of U.S.

• All proof of export must be received within 90 days of the removal from your premise or you must pay the tax
Reporting

• TTB Form 5130.9 - Brewer’s Report of Operations or TTB Form 5130.26 - Quarterly Brewer’s Report of Operations

• Total of beer reported on the BROP as exported without payment of tax must equal amounts shown on transaction forms for the reporting period and/or on the monthly report of goods exported
Other Requirements

• Marks:
  – Export marks required
    See 27 CFR 28.144
  – Records:
    See 27 CFR parts 25 and 28 for daily record keeping and summary records of withdrawals reporting requirements
Exporting Tax Paid Beer

Drawback occurs when products for which tax has been paid are subsequently exported:

- When this happens, a brewer or his duly authorized agent may apply to receive an amount equal to the tax paid on the exported beer
- Such “drawback” of tax is allowed upon filing of claim and required supporting documentation
- Only products brewed or produced in U.S.
- Claims filed by:
  - The brewer that paid the tax upon removal or the brewer’s duly authorized agent (27 CFR 28.221)
- 6 years to submit claim with proof*

*(IRC provision 28 U.S.C. 2401 allows claims for drawback to be reopened up to 6 years after the date of exportation.*)
**TTB Form 5130.6 - Drawback on Beer Exported**

<table>
<thead>
<tr>
<th>PART I - NOTICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOTICE IS HEREBY GIVEN OF THE SHIPMENT OF TAXPAID BEER ON WHICH DRAWBACK OF INTERNAL REVENUE TAX PAID THEREON WILL BE CLAIMED BY THE PRODUCING BREWER.</td>
</tr>
</tbody>
</table>

**2. NAME AND ADDRESS OF EXPORTER (Number, street, city, State, and ZIP Code)**

**3. NAME AND ADDRESS OF PRODUCING BREWER**

**3a. EMPLOYER IDENTIFICATION NUMBER**

**4. ADDRESS OF THE DIRECTOR, NATIONAL REVENUE CENTER, 550 MAIN ST, STE 8002, CINCINNATI, OHIO 45202-5215**

**5. PURPOSE OF SHIPMENT (Make applicable entries)**

**5a. SHIPMENT FOR EXPORT TO ARMED FORCES OF THE U.S.**

**5b. TRANSFER TO FOREIGN-TRADE ZONE**

**5c. EXPORTATION TO (Name of foreign port and country)**

**5d. USE AS SUPPLIES ON**

**5e. A VESSEL**

**5f. AIRCRAFT**

**6. CONSIGNED TO OR IN CARE OF (Make applicable entries)**

**6a. DIRECTOR OF CUSTOMS AT PORT OF**

**6b. TRANSPORTATION OFFICER**

**6c. CUSTOMS OFFICER IN CHARGE OF FOREIGN-TRADE ZONE**

**7. NAME OF DOMESTIC CARRIER**

**8. NAME OF EXPORT CARRIER**
9. THE BEER WAS SHIPPED IN THE FOLLOWING CONTAINERS (Show container size as "1/4 bbl", "24/12", etc.)

<table>
<thead>
<tr>
<th>NUMBER (a)</th>
<th>KIND (b)</th>
<th>SIZE (c)</th>
<th>NUMBER (d)</th>
<th>KIND (e)</th>
<th>SIZE (f)</th>
<th>NUMBER (g)</th>
<th>KIND (h)</th>
<th>SIZE (i)</th>
</tr>
</thead>
</table>

10. DATE

11. EXPORTER

11a. BY (Signature and title)

PART II - CLAIM

TO: DIRECTOR, NATIONAL REVENUE CENTER, ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

The beer described in Part I has been removed for the purpose stated and is not to be brought back or relanded within the limits of the United States. The quantity of beer, as described in Part I and restated below in terms of barrels, is correct, and such beer was brewed or produced in the United States. I am justly entitled to drawback of tax in the amount claimed herein. Internal Revenue tax equal to such amount has been determined and paid as provided by law and regulations. No other claim for allowance of drawback has been made on this beer or any part thereof.

12. DATE

13. QUANTITY OF BEER (Barrels)

14a. RATE OF TAX

14b. DRAWBACKCLAIMED

Under penalties of perjury, I declare that I have examined Part I heretofore, and this claim, and to the best of my knowledge and belief the statements herein and in Part I are true, correct, and complete.

15. BREWER

15a. BY (Signature and title)

1The producing brewer must always complete item 3a.
2Complete only for consolidated claims; show serial number of last claim tabulated.
3State whether (a) Vessel or aircraft operated by the United States; (b) Vessel or aircraft engaged in foreign trade, or in trade between the United States and any of its possessions, or between Hawaii or Alaska and any other part of the United States; (c) Vessel of the United States engaged in trade between Atlantic and Pacific ports of the United States; (d) Vessel of war of any foreign nation; or (e) Vessel employed in (1) the fisheries, or (2) The whaling business. Show name of vessel, country of registry, and ports of call, or, if a whaling vessel, location or operations. If aircraft, show also name of airline and country of registry of aircraft.
4Indicate the rate of tax paid on the beer which was exported. If the beer was produced by a brewer qualified under 27 CFR 25.152 to pay tax at the reduced rate of tax, drawback must be claimed at the lower rate of tax unless the brewer or the brewer’s agent can establish that the beer was taxpaid at the higher rate of tax.

TTB F 5130.6 (10/2008)
### PART III - CUSTOMS OFFICER’S CERTIFICATION OF LADING OR DEPOSIT

I HEREBY CERTIFY THAT THE BEER DESCRIBED IN PART I WAS FOUND TO BE AS DESCRIBED, EXCEPT AS NOTED IN ITEM 19, AND THAT THE BEER WAS —

<table>
<thead>
<tr>
<th>16. LADEN FOR</th>
<th>VESSEL (Name)</th>
<th>AIRCRAFT (Name, symbols, number)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXPORT □ USE AS SUPPLIES</td>
<td>RAILROAD CAR (Number)</td>
<td>TRUCK (State license)</td>
</tr>
<tr>
<td>ON BOARD</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>17. RECEIVED IN</th>
<th>FOREIGN TRADE ZONE</th>
<th>18. SHIPPED TO</th>
<th>FRONTIER PORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Number)</td>
<td>SERIAL NUMBER OF SEALS USED</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| 19. INSPECTION DISCLOSED | | |
| NO EVIDENCE OF TAMPERING | NO DISCREPANCY | DISCREPANCIES OR SHORT SHIPMENT AS FOLLOWS: |

<table>
<thead>
<tr>
<th>20. DATE</th>
<th>21. PORT</th>
<th>22. SIGNATURE AND TITLE OF CUSTOMS OFFICER</th>
</tr>
</thead>
</table>

### PART IV - CUSTOMS OFFICER’S REPORT OF THROUGH SHIPMENT AT FRONTIER PORT

<table>
<thead>
<tr>
<th>23. FRONTIER PORT</th>
<th>24. DATE REC'D</th>
<th>25. INSPECTION DISCLOSED</th>
<th>SEALS BROKEN</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>NO EVIDENCE OF TAMPERING</td>
<td>SEALS INTACT</td>
</tr>
</tbody>
</table>

| 26. NATURE AND EXTENT OF DISCREPANCIES, TRANSSHIPMENT, RESEALING, ETC. |
| | |

| 27. THE EXPORTING CONVEYANCE IDENTIFIED IN ITEM 16, BEARING THE BEER DESCRIBED IN ITEM 9, WITH EXCEPTIONS AS NOTED IN ITEMS 19 AND 26, CLEARED FROM THIS PORT FOR THE PORT OF |
| FOREIGN PORT |

<table>
<thead>
<tr>
<th>28. DATE</th>
<th>29. SIGNATURE AND TITLE OF CUSTOMS OFFICER</th>
</tr>
</thead>
</table>

### PART V - CERTIFICATE OF CLEARANCE OR USE

| 30. THE EXPORTING CONVEYANCE BEARING THE BEER DESCRIBED IN ITEM 9, WITH EXCEPTIONS AS NOTED ABOVE — |
| CLEARED FROM THE PORT OF | ON (Date) | BOUND FOR (Foreign port) |

| 31. THE BEER HAS BEEN USED AS SUPPLIES ON THE FISHING VESSEL IDENTIFIED ABOVE, AND THE EVIDENCE OF SUCH USE HAS BEEN RECEIVED |
| 32. DATE | 33. SIGNATURE OF DIRECTOR OF CUSTOMS |

### PART VI - CERTIFICATE OF RECEIPT BY ARMED FORCES OFFICER

The beer described in Part I, with exceptions as noted in item 35, was received for export to the Armed Forces of the United States. The beer will not be shipped for consumption or use in any place subject to application of the Internal Revenue laws of the United States.

<table>
<thead>
<tr>
<th>34. DATE</th>
<th>35. DISCREPANCY</th>
<th>36. SIGNATURE</th>
<th>37. RANK</th>
<th>38. TITLE</th>
</tr>
</thead>
</table>
Proof of Exportation

- Tracking of shipment to port
- Consolidation issues
- Forwarder issues
- Export Bill of Lading
  - Ocean/Seaway BOL
  - Through BOL
Proof of Exportation

- Customs certifications
- Certificate of receipt from final destination
- Certificate by exporting carrier
- Receipt by U.S. Armed Forces, overseas
- Alternative combinations
What We Learned Today

• Defined an “export”
• Identified applicable laws and regulations
• Reviewed reports and marking requirements
• Reviewed exportation of beer without payment of tax
• Reviewed exportation of tax paid beer
• Discussed “Proof of Exportation”
• Among other duties, TTB’s International Affairs Division (IAD) serves a key role in facilitating the import/export trade in beer, wine, distilled spirits, and industrial alcohol.
Additional TTB Export Resources

For the latest guidance and updates on the Tax Cuts and Jobs Act of 2017 and how it affects the alcohol industry, visit our Craft Beverage Modernization and Tax Reform page.

TTB Alcohol and Tobacco Tax and Trade Bureau
U.S. Department of the Treasury

TTB Home > International Affairs Division > TTB.gov | International Imports/Exports Requirements

Get Email Updates
Click to subscribe to International Affairs

International Import/Export Requirements

This guide was compiled by the International Affairs Division to offer information on international import requirements, such as licensing, labeling, and taxation considerations, for various countries for beer, wine, and distilled spirits. The information contained in this guide has been sourced from foreign governmental agencies and organizations and the U.S. Department of Agriculture’s Foreign Agricultural Service (FAS), and possibly from additional external sources. Consequently, international conditions also change frequently, so this document may not always reflect the most recent requirements. An exporter should verify the requirements for importing into a particular foreign country before commencing trade.

To access a country’s import and export requirements, please click on the appropriate country below.

Choose a Country

This guide does not contain a complete listing of all United States’ trading partners—it is simply intended to serve as a "starting point" for exporters interested in the requirements for the listed countries. Contact the International Affairs Division for more information regarding the exportation of alcohol beverages to a country not included in this guide or for any other related questions. For a listing of documents needed by some countries for export, please visit our export documents page.
Contact Information

www.TTB.gov
International Affairs Division (IAD)
202-453-2260

NRC Contacts:
TTB
550 Main St, Ste 8002
Cincinnati, OH 45202
Call us at 1-877-882-3277