

Rockpile Viticultural Area Established



By Nancy Sutton (202) 927-8210

On February 28, 2002, the Federal Register published a Final Rule that establishes the Rockpile viticultural area. The rule is to become effective on April 29, 2002, as 27 CFR Section 9.173.

This 15,400-acre area, located above the 800-foot elevation line, is in northwest Sonoma County, California. It includes 11 vineyards, with about 160 acres of planted wine grapes. The area is characterized by its small rocks, gravel mixed with topsoil, and some outcroppings of larger rock. The Rockpile name dates back to an 1858 cattle ranch in the area. In 1911, part of the ranch, 21,000 acres, was converted to a hunting and sheep-raising operation. The area was renamed "La Roca Monte Rancho," or the Rocky Peak Ranch in Spanish, but it continued to be referred to as, simply, Rockpile. With the coming of the Great Depression, much of the area was subdivided and sold. Today, the Rockpile area is accessible by the winding, climbing Rockpile Road. ■

Delegation of Authority for Part 251 Published



By Robert P. Ruhf (202) 927-8210

Treasury Decision ATF-474, Delegation of Authority, was published on March 13, 2002, in the Federal Register. This Final Rule rescinds all previously delegated authorities of the Director in 27 CFR part 251, Importation of Distilled Spirits, Wines, and Beer. It places them, as well as those authorities not previously delegated, with the "appropriate ATF officer." This action will both simplify determining which officer is authorized to perform a particular function and lighten the Bureau's administrative burden. "Appropriate ATF officers" are specified in the related ATF Delegation Order, ATF Order 1130.12, which was published concurrently and is available to the public. Through this instrument, the Director delegates all authorities as appropriate and specifies those officers who will receive applications, notices, and other reports, which are not ATF forms.

In addition, T.D. ATF-474 requires that people file documents with the "appropriate ATF officer" or as instructed by an ATF form required by 27 CFR part 251. Finally, the rule makes conforming changes to regulations in part 251 and removes those that are obsolete. ■

Federal Reserve Bank Consolidates



By Margaret Nawalaniec (513) 684-3334

Many ATF regulated establishments must obtain "insurance" coverage in the form of a bond. While most of these businesses obtain their bond through a surety company, there are some who choose to obtain "collateral" security rather than a bond. This form of "insurance" may be a US Treasury Note or other obligation that is unconditionally guaranteed for both interest and principle by the United States Government. Formerly, there were ten Federal Reserve Banks to administer collateral securities. This changed, however, as of January 14, 2002. The administration and processing of 31 C.F.R. 225 (formerly Circular 154) collateral services has been consolidated and is now being handled exclusively by the Federal Reserve Bank of St. Louis. This consolidation will allow the Federal Reserve banking system to provide efficient and

uniform service for companies opening and closing pledged accounts with United States Treasury Notes, Bills and Bonds. The St. Louis Federal Reserve Bank will now answer questions and provide all support for 31 C.F.R. 225 collateral services, including obtaining approval for withdrawals and administering pledge authorization forms.

Please note that the Federal Reserve Bank consolidation of collateral services will not affect anyone who currently has a Treasury Note, Bill or Bond in an ATF safekeeping account. Interest will continue to be directly deposited to the industry member's bank account and the St. Louis Federal Reserve Bank will still provide accounting statements that show all information that was formerly provided. ■

Winery Compliance Seminars

By Leslie Nelson (202) 927-8410

During February 25-March 8, 2002, members of the Alcohol Labeling and Formulation Division and the National Revenue Center along with representatives of the San Francisco Field Division participated in Winery Compliance Seminars sponsored by the San Francisco Field Division. The nine seminars, held in Gilroy, Fresno, Lodi, St. Helena, and Rohnert Park, were presented to members of the California wine industry to provide them with a better understanding of the federal regulations governing the production, distribution, labeling and exportation of wine.

The presenters discussed a range of topics which included how to maintain required ATF records and correctly file reports, tax returns, applications for amendments, applications for label approval and export forms. Other subjects covered included explanations of applicable tax rates and credits, mandatory wine label information, the establishment of American Viticultural Areas and electronic filing of Certificates of Label Approval.

The seminars were attended by 325 industry members, the majority of whom offered positive feedback with regard to the subject matter covered during the presentations as well as expressed the hope that ATF would offer more such seminars in the future. Overall, the Wine Compliance Seminars were a positive experience for all involved. They provided ATF members with a unique opportunity not only to educate a large number of industry members but also to interact with and learn from them as well. ■

Changes in Control/Ownership

By Robert Adams (513) 684-2791

Anyone holding a federal basic permit should be aware of the importance of filing a new application within thirty days of any changes in **ownership or control** of their business operations. If an application is not timely filed, the permit is no longer valid.

Here are some examples of changes in ownership:

1. When one entity purchases another entity's business, which holds a basic permit.
2. In the case of a general partnership, when a partner is added or deleted from the general partnership.
3. If a corporation, reincorporating in another state.

Here is an example of a change in control - actual and legal:

1. An **actual** change in control of a corporation can occur with major changes in the corporate officers/directors, or when two or more minority stockholders band together to assume control.
2. A change in **legal** control occurs when a person acquires more than 50% of the stock of a corporation, or a person who was a majority stockholder decreases their stock ownership to 50% or less.

For clarification on issues regarding changes in ownership or control, contact the National Revenue Center at 800-398-2282 (513-684-3334) (e-mail: natlrevctr@cinc.atf.treas.gov). Written notification and correspondence should be sent to: ATF National Revenue Center, 8002 JWP Federal Office Building, 550 Main Street, Cincinnati, OH 45202-3263. ■