



TTB Boot Camp for Distillers:

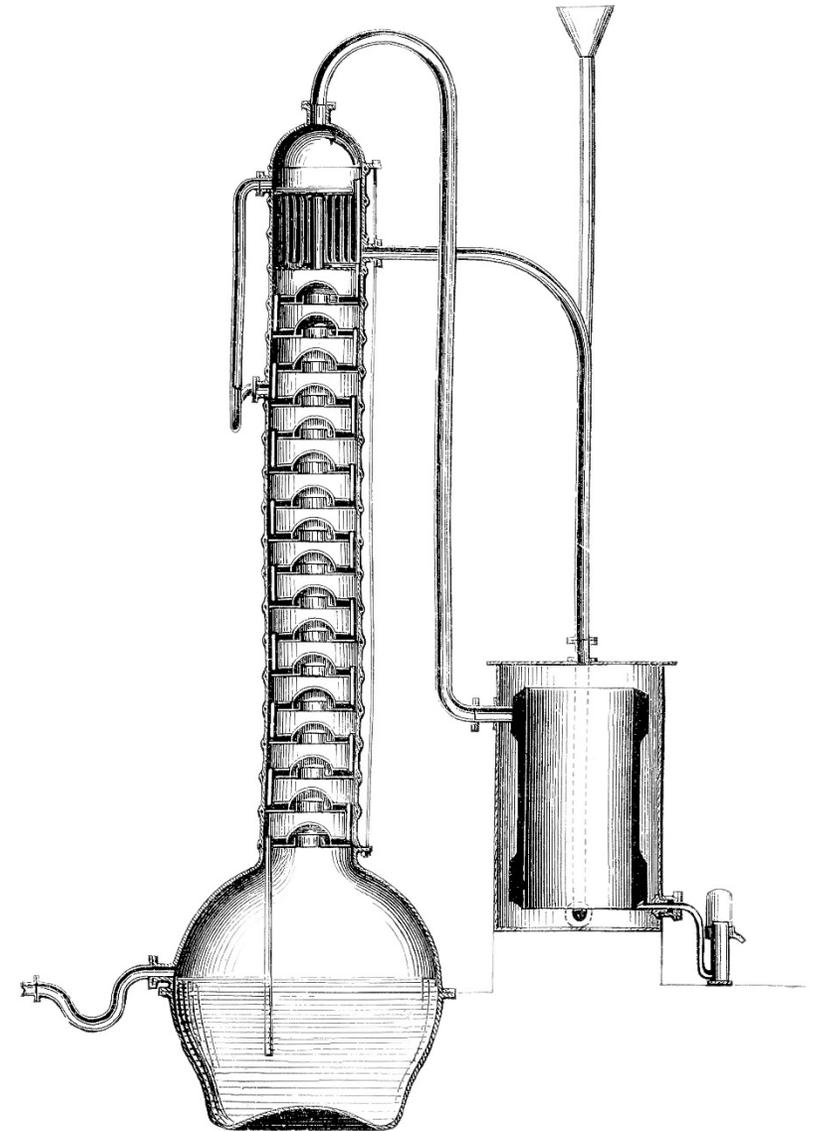
Overview; Permits; Records, Reports, and Returns

ACSA DISTILLERS' CONVENTION AND VENDOR TRADE SHOW
2021

Introduction to TTB Bootcamp: The Basics

SUSAN EVANS

DIRECTOR, OFFICE OF INDUSTRY AND STATE
OUTREACH





TTB Disclaimer

Notice:

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- It is not intended to establish any new, or change any existing, definitions, interpretations, standards, or procedures regarding those laws and regulations
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- Sample documents (such as records, returns, and labels) are for illustrative purposes only and contain fictitious data



Agenda

- Overview of TTB
- The primary laws and regulations you need to know about
- Typical TTB touchpoints for distilleries



TTB Overview

- We are a bureau within the Department of the Treasury
- We currently have about 500 employees
- Our headquarters are in Washington, DC
- The Office of Permitting and Taxation (AKA the National Revenue Center) is in Cincinnati, Ohio
- We have field offices located across the country
- We have 4 laboratories, located in Maryland and California



TTB Mission

COLLECT the taxes on alcohol, tobacco, firearms, and ammunition

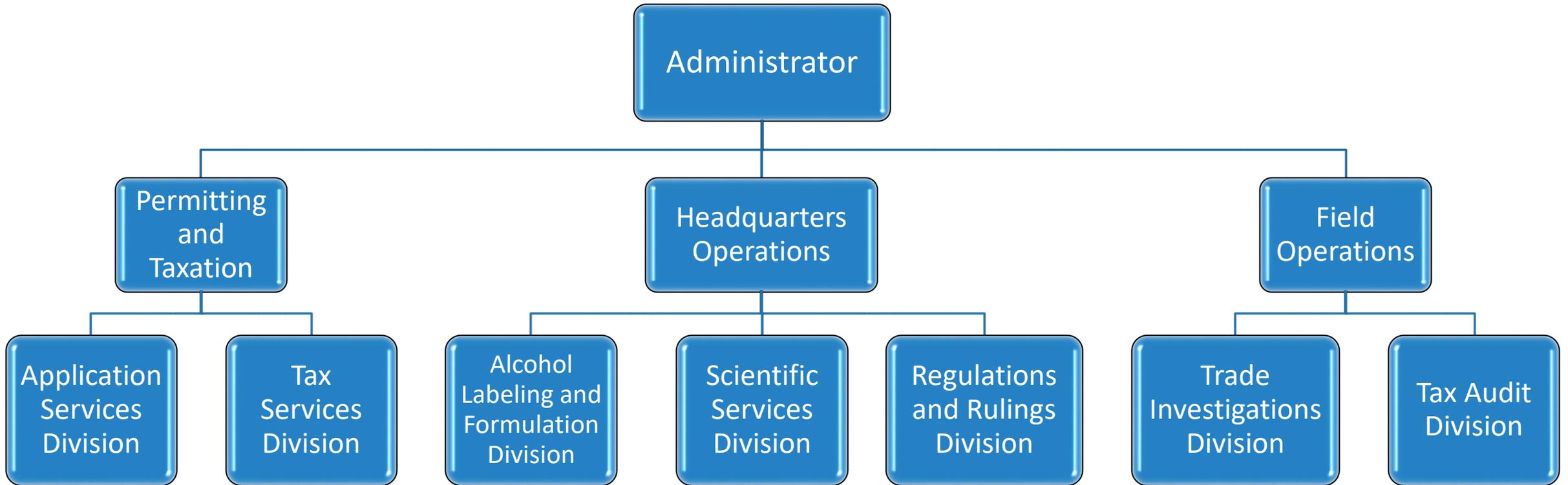
PROTECT the consumer by ensuring the integrity of alcohol products

ENSURE only qualified businesses enter the alcohol and tobacco industries

PREVENT unfair and unlawful market activity for alcohol and tobacco products

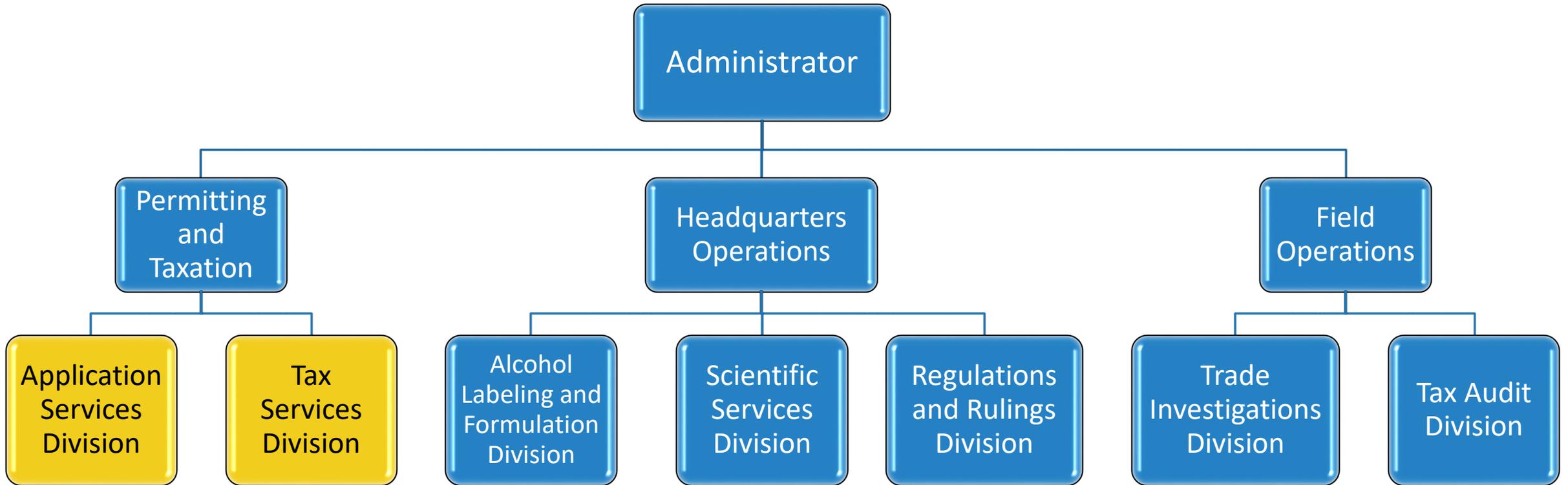


TTB Organizational Chart





TTB Organizational Chart





Permitting and Taxation National Revenue Center

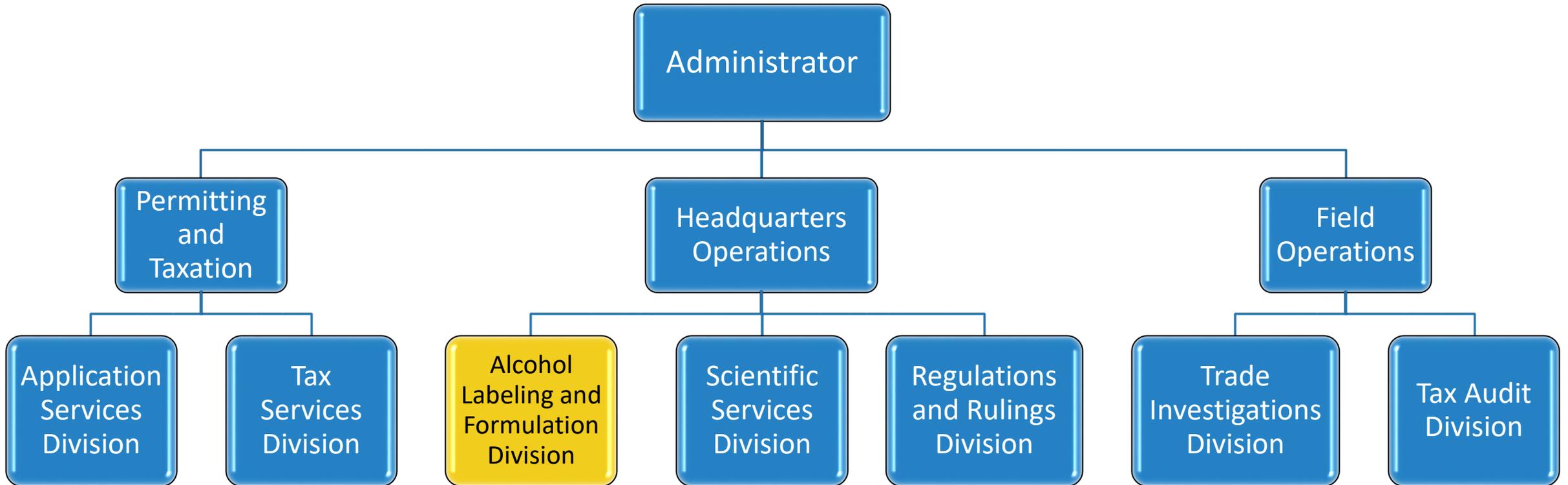
Application Services Division - Issues permits/notices/registrations

Tax Services Division - Processes tax returns, operational reports, and claims

- Located in Cincinnati, Ohio
- Toll-Free: 877-882-3277
- Web Form: [Submit Online Inquiry](#)



TTB Organizational Chart





Alcohol Labeling and Formulation Division

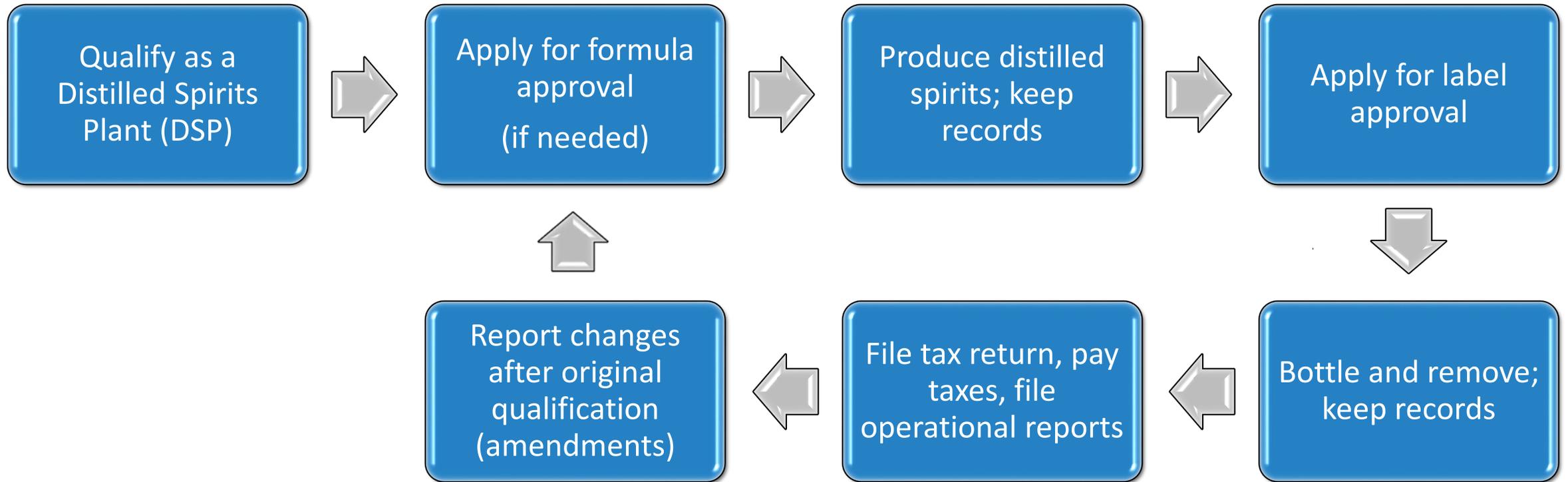
Processes applications for **beverage alcohol formulas**

Processes applications for **label approval**

- Located in Washington, DC
- Toll-Free: 866-927-2533
- Web Form: [Submit Online Inquiry](#)



Typical TTB Touchpoints for Beverage Distilled Spirits Industry Members





TTB Laws and Regulations*

Domestic Producers

Internal Revenue Code (IRC)

- [Part 19](#) Distilled Spirits Plants

Federal Alcohol Administration Act (FAA Act)

- [Part 5](#) Labeling and Advertising of Distilled Spirits

* Not a complete list



IRC Requirements for (Domestic) Alcohol Beverage Products

Applies to all alcohol beverage products produced in the U.S.

Includes:*

- Qualification (permit)
- Recordkeeping requirements and reports
- Taxes
- Formulas (for some alcohol beverage products)
- Minimum marks, brands and label requirements

* Not a complete list



FAA Act Requirements

Applies to domestic and imported alcohol beverage products, but only if they are sold or shipped ... in interstate commerce*

Includes:

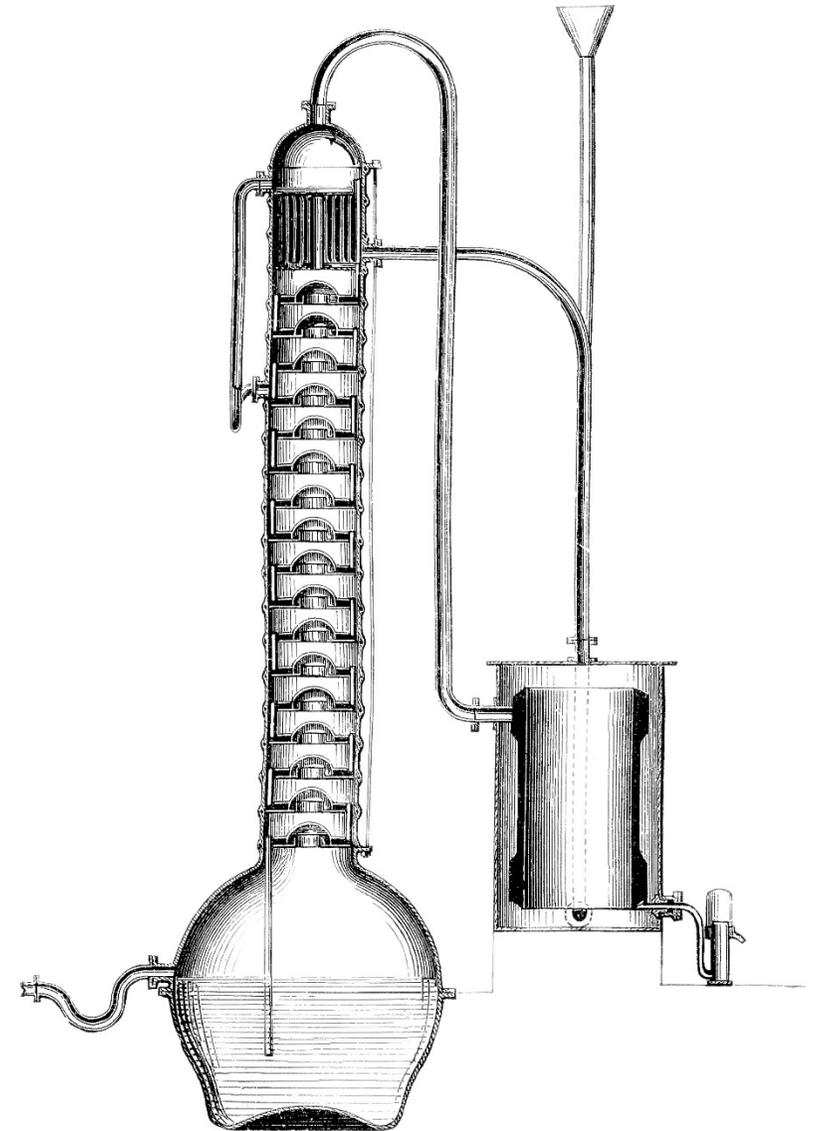
- Labeling requirements
- Certificates of Label Approval (COLA)
- Advertising

*Other conditions may apply for labeling and COLA requirements, not a complete list

Permits: Original and Amendments

DARYL POLLEY
TECHNICAL ADVISOR

APPLICATION SERVICES DIVISION





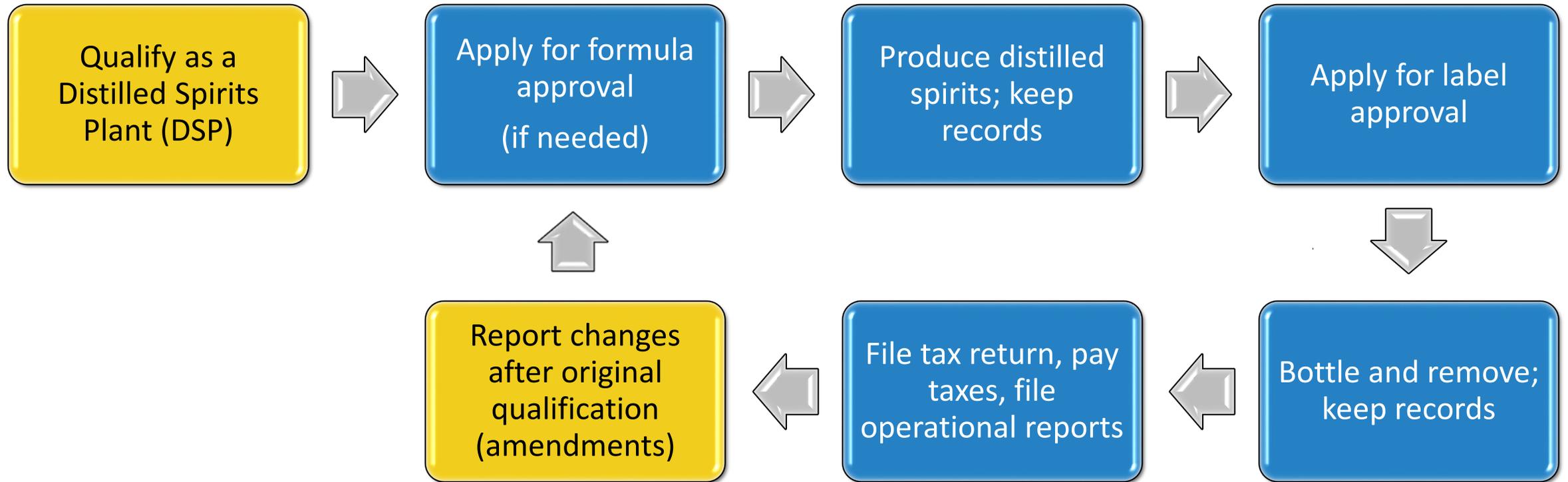
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Typical TTB Touchpoints for Beverage Distilled Spirits Industry Members





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.)

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



Bond Basics

A bond is similar to an insurance policy

- If you fail to pay any tax liability covered by a bond, TTB may seek payment from you, from the surety who issues your bond, or from both
- Your individual circumstances dictate if you need a bond and if yes, the type(s) of bond coverage:
 - What is your anticipated excise tax liability?
 - Which DSP operations will you conduct?
 - Will your operations involve industrial, beverage or both types of alcohol?

27 CFR part 19 subpart F



Do You Need a Bond?

The PATH Act (2017) amended the IRC regarding bonds:

- Taxpayers who reasonably expect to be liable for not more than \$50,000 in taxes for the calendar year, and
- were liable for not more than \$50,000 in such taxes in the preceding calendar year
- are exempt from the requirements to file bonds covering operations or withdrawals

Industry Circular 2016-2



'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 distilleries with a bond or that are exempt under the PATH Act from having a bond
- Examples include:
 - Bonded premises
 - Transfer in bond



Receiving Spirits in Bond

- If you will receive bulk spirits in bond from another domestic distilled spirits plant, you should complete TTB Form 5100.16, even if you are not required to obtain a bond
 - Use \$13.50 per proof gallon when calculating the potential liability on transferred spirits
- Once approved, a transfer in bond form will be attached to your application and you should supply a copy to the supplier transferring the spirits to you

27 CFR 19.402 & 19.403



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.

27 CFR 19.52

26 U.S.C. 5178



Did You Know...?

- Before your application is approved, 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>



Who is the Applicant?

Before you apply, it is vital to determine who will be the owner/operator of the TTB regulated business

- Sole proprietor?
- Partnership?
- Corporation?
- LLC?
- Some other type of entity?



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

- 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 (POA), TTB Form 5000.8
- Diagram of the DSP



Business Entity and Commodity Operations

Your information in Permits Online is organized in two different kinds of records:

- The **entity record** equates to a single company or business entity, represented by a unique Employer Identification Number (EIN)
- A **commodity operations record** is created for each TTB-regulated operation (type and location) the entity is approved to conduct

A typical entity record will have at least 1, but may have multiple commodity operations records associated with it



Business Entity and Commodity Operations

- When applying to start your first TTB-regulated business, you'll complete 1 **new entity application** and a **new commodity operations application** for each operation (type and location) you intend to conduct
- When you file an amendment related to the business entity, you will file 1 application and the changes are associated with each operation you conduct
 - Examples: a new officer or new POA



Business Entity and Commodity Operations





Permits Online Questions

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



Changes to Your Entity that You Must Report to TTB

Changes in:

- Legal business name
- Controlling ownership
- General partner
- Any stockholder or members holding ownership of 10% or more
- Corporate officer, directors, or any similar positions

Adding, revoking, or changing:

- Signing authority
- Power of attorney

Termination of all TTB-regulated operations under your EIN (going completely out of business)



Changes to Your Commodity Operations That You Must Report to TTB*

Change in:

- Premises location
- Bond
- Construction or use of building
- Operations
- DBA/Operating name

Adding or removing:

- Trade names
- Noncontiguous premises
- Alternation of premises
- Alternation of proprietor
- Variance or alternate method

Termination of operations at 1 location, but keeping other operations/locations under the same EIN open

*requirements vary slightly by commodity operation



Alternation of Premises

The premises is used by the same owner/same EIN to conduct another TTB - regulated business, such as a winery or brewery

If you are an already established DSP and wish to add a winery or brewery, you must submit:

- A new application for the commodity operations that you are adding
- Updated diagram showing which areas will be alternating
- Change in Bond (Consent of Surety) TTB Form 5000.18

You may also submit:

- Variance request to use brewery for another purpose
- Variance from the requirement to submit notification of each alternation

27 CFR 19.627



Alternation of Proprietorship

Two or more proprietors with different EINs conduct the same type of operations at the same premises, and space and/or equipment alternates between proprietors

Generally, the proprietor of an existing DSP, the host distiller, agrees to rent space and equipment to a new tenant distiller

The host and tenant of an alternating proprietorship are required to submit:

- An alternating proprietorship agreement (a contract between the host and tenant)
- Updated diagram showing which areas will be alternating and which will be the permanent non-alternating space of both the host and tenant
- A variance request for an alternate method or procedure from 27 CFR 19.141(b), so that the proprietor does not need to file a letterhead notice prior to each alternation

27 CFR 19.141



Resources

Resources

Apply for a Permit: Qualifying with TTB

<https://www.ttb.gov/business-tools/qualify-with-ttb>

Permits Online Customer Page

<https://www.ttb.gov/ponl/customer-support>

Permits Online Tutorial

<https://www.ttb.gov/ponl/ponl-launch>

State Alcohol Beverage Authorities

<https://www.ttb.gov/wine/alcohol-beverage-control-boards>

Alcohol FAQs

<https://www.ttb.gov/faqs/alcohol>

Maintaining Compliance in a TTB-Regulated Industry

<https://www.ttb.gov/business-central/industry-members-responsibilities>

Overview of the Application Process

<https://www.ttb.gov/ponl-help/permits-online-overview-of-the-application-process>

Laws, Regulations, and Public Guidance

<https://www.ttb.gov/laws-regulations-and-public-guidance>



Contact Us

Questions?

Contact the National Revenue Center at:

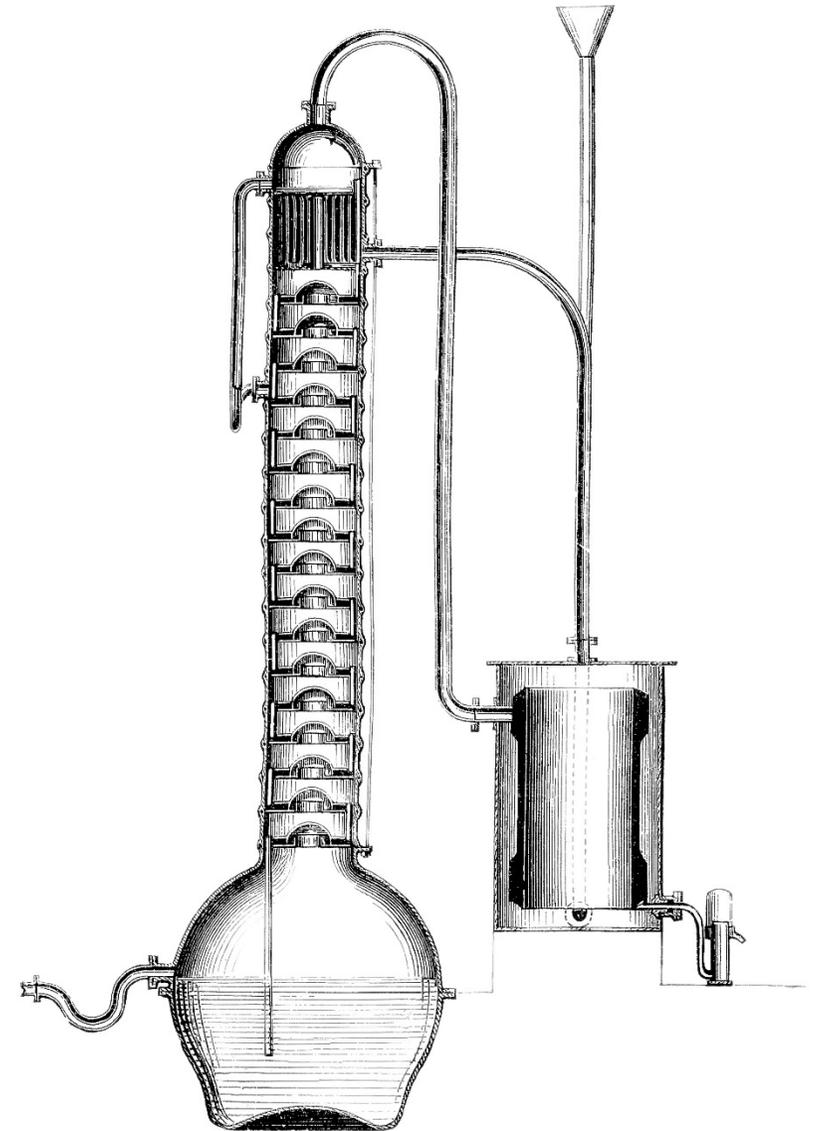
- Toll-Free: 877-882-3277 / 877-TTB-FAQS
- Use our [National Revenue Center Contact Form](#)

Representatives are Available:

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

Records, Reports, and Returns

RONDA MERRELL
TECHNICAL ADVISOR
NATIONAL REVENUE CENTER





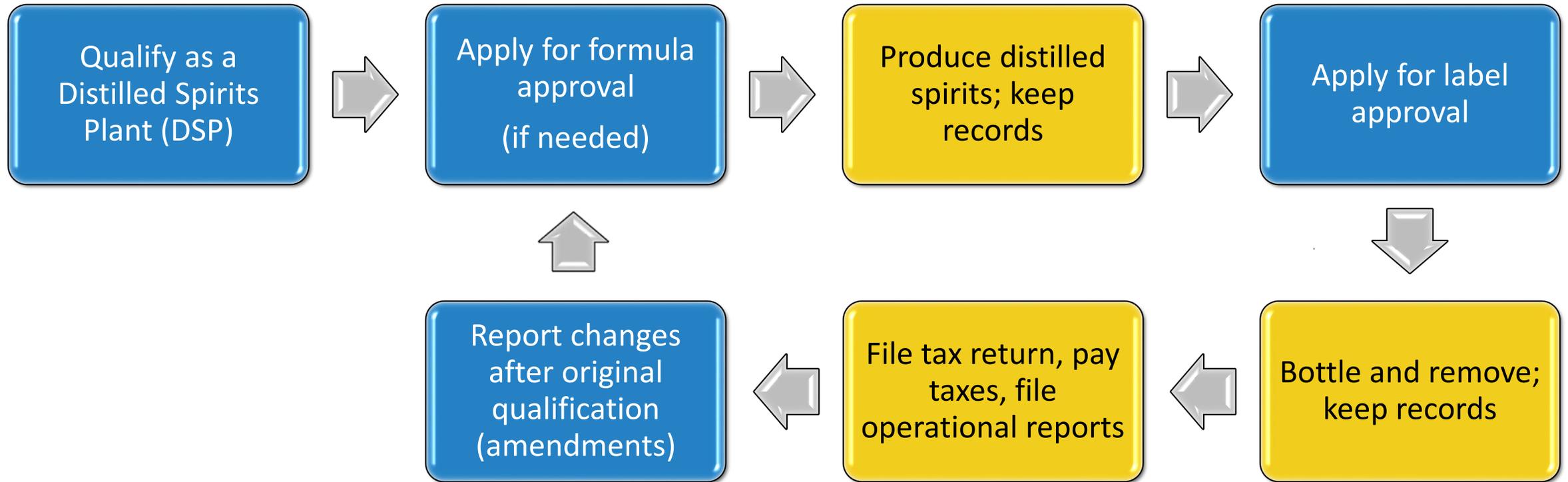
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Typical TTB Touchpoints for Beverage Distilled Spirits Industry Members





Using TTB.gov

|  TTB Alcohol and Tobacco Tax and Trade Bureau U.S. Department of the Treasury | | Who We Are | What We Do | TTB Audiences | Resources | REPORT FRAUD: TTB Tips Online <input type="text" value="Search"/> |
|--|--|---|--|--|-----------|---|
| Contact TTB Español Français 中文 | | | | | | |
| PROGRAM AREAS | REGS & GUIDANCE | TAXES AND FILING | ONLINE SERVICES | ENFORCEMENT | | |
| Beverage Alcohol Nonbeverage Alcohol Tobacco Formulation Labeling Advertising Market Compliance Trade Practices International Affairs Firearms and Ammunition | Laws Regulations Rulings Procedures Industry Circulars Federal Register Publications Other Guidance | Tax Reform (CBMTRA) Pay.gov Tax Due Dates Tax Rates Preparing Returns File Disaster Claims Special Occupational Taxes | Permits Online COLAs Online Formulas Online Pay.gov Public COLA Registry Online Help Center | Tip Line Offers in Compromise Investigations Audits Tax Services Beverage Alcohol Product Diversion Tobacco Diversion | | |

<https://www.ttb.gov/index.shtml>



Using TTB.gov

TTB Regulated Industries



Resources for [Beer](#), [Distilled Spirits](#), [Wine](#), [Sake](#), [Kombucha](#), and [Trade Practices](#)



Resources for [Alcohol Fuel](#), [Industrial Alcohol](#), [Nonbeverage Products](#), and [Tax-free Alcohol](#).



Resources for [Tobacco Manufacturers](#), [Importers](#), and [Export Warehouse Proprietors](#).



Resources for [Gunsmiths](#), [Importers](#), [Manufacturers](#), and [Reloaders](#).

Business Tools



[Apply for a Permit](#)



[Submit a Label](#)



[Submit a Formula](#)



[Import / Export](#)



[Returns / Reports](#)



[Processing Times](#)



[Stay Compliant](#)



[Get Training](#)



[Business Central](#)



Operational Reports Tutorials

[TTBGov - Forms Helpful Hints and Tips](#)

Operational Reports Tutorials

These tutorials guide you through the various form fields. You may also conveniently file these reports electronically using [Pay.gov](#).

- 5110.11 - Monthly Report of Storage Operations
- 5110.28 - Monthly Report of Processing Operations
- 5110.40 - Monthly Report of Production Operations
- 5110.43 - Monthly Report of Processing (Denaturing) Operations
- 5120.17 - Report of Wine Premises Operation
- 5130.9 - Brewer's Report of Operations
- 5620.8b - Claim -- Alcohol and Tobacco Tax and Trade Bureau Taxes



TTB Form 5110.11

- Before you begin
- FAQ
- Form 5110.11
- Helpful Hints
- How to avoid problems
- Tools (+/-)
- Glossary of Terms
- File online at Pay.gov

Click **Helpful Hints** to view color coded forms

Click a link on the left to display a resource for



Have you tried filing your TTB Form 5110

| TRANSACTIONS (a) | WHISKY* | | BRANDY | | RU (f) |
|--|---|----------------------------------|---------------------------------------|----------------------------------|-----------|
| | DISTILLED AT 160° AND UNDER (b) | DISTILLED AT OVER 160° (c) | DISTILLED AT 170° AND UNDER (d) | DISTILLED AT OVER 170° (e) | |
| 1. On hand first of month | Line 23 on the previous report | | | | |
| 2. Deposited in bulk storage ^{1/} | Line 11 Production Report and all Transfers in Bond | | | | |
| 3. Received from Customs custody | | | | | |
| 4. Returned to bulk storage | | | | | |
| 5. | | | | | |
| 6. TOTAL (Lines 1 through 5) | Line 6 and Line 24 must always match | | | | |
| 7. Taxpaid | To show on Tax Return when actually removed from storage acco | | | | |
| 8. Use of the United States | | | | | |



Records, Reports, & Returns

Records

Operational
Reports

Excise Tax
Return



Records

27 CFR part 19 DISTILLED SPIRITS PLANTS

- Records start from the receipt of materials
- Gauge record requirements
- Records transferring product from area to area
- Records for each area
- Records are required for everything from production to the product going out the door

27 CFR 19.571- 19.627



Records, Reports, & Returns

Records

Operational
Reports

Excise Tax
Return



Reporting Requirements

- Reports are due the 15th of the following month following the close of the reporting period
- All required reports must be filed monthly
 - Even if no activity!
 - Reports may not be filed quarterly or annually



Reporting Requirements

- **Approved as Distiller**
 - must file Production report TTB F 5110.40
- **Approved as Warehouseman**
 - must file the Storage Report TTB F 5110.11
- **Approved as Bottler, Processor or Rectifier**
 - must file the Processing Report TTB F 5110.28
- **Approved for Denaturing Spirits (Industrial)**
 - must file the Processing (Denaturing) Report TTB F 5110.43



What Operations are You Approved For?

7. PERMIT GRANTED FOR (ONE TYPE OF OPERATION ONLY)

Pursuant to the application of the date indicated in item 4, you are authorized and permitted to engage, at the above address, in the business of:

- a. Distilled Spirits - distiller rectifier (processor) warehouseman and/or warehouseman and bottler and while so engaged, to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the distilled spirits so distilled or rectified, or warehoused and bottled, or the wines so rectified,
- b. Wine - producer and blender blender and while so engaged, to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the wine so produced or blended,
- c. Importer - importing into the United States the following alcoholic beverages:
while so engaged, to sell, offer to deliver for sale, contract to sell or ship, in interstate or foreign commerce, the alcoholic beverages so imported,
- d. Wholesaler - Purchasing for resale at wholesale the following alcoholic beverages:
while so engaged, to receive or to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the alcoholic beverages so Purchased.



Distillery Areas

Each report matches up to a section of your distillery

- **Production area:** Where the still is located and where the spirits come into existence
- **Storage area:** Designated area to store product. Can be for a short period or for years
- **Processing area:** Where most of the blending, bottling and bottle storage occurs



Monthly Report of Production Operations: TTB F 5110.40

- Shows when the product comes off the still
- Shows where the product goes after production
- Report by product classification
- List what materials were used to make the product



Monthly Report of Production Operations: TTB F 5110.40

| | | | | | | | | | | | |
|--|--|-----------------------|--|------------------|---|------------|--------------|--|---|----------------------------|--------------|
| DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) MONTHLY REPORT OF PRODUCTION OPERATIONS (PREPARE IN DUPLICATE, SEE INSTRUCTIONS BELOW) | | 1. NAME OF PROPRIETOR | | | | | | | 3. MONTH AND YEAR | | |
| | | 4. LOCATION OF PLANT | | | | | | | 5. PLANT NUMBER DSP | | |
| PART I - TRANSACTIONS | | | | | | | | | | | |
| TRANSACTION (a) | WHISKY | | BRANDY | | PROOF GALLONS | | | ALCOHOL AND SPIRITS | | OTHER (Identify) (k) | TOTAL (l) |
| | 160° AND UNDER (b) | OVER 160° (c) | 170° AND UNDER (d) | OVER 170° (e) | RUM (f) | GIN (g) | VODKA (h) | 190° AND OVER (Distillation Proof) (i) | UNDER 190° (Distillation Proof) (j) | | |
| 1. TAX PAYMENT | TO SHOW ON TAX RETURN | | WHEN | | PRODUCT WAS REMOVED FROM | | | PRODUCTION ACCOUNT | | | |
| 2. USE OF U.S. | | | | | | | | | | | |
| 3. HOSPITAL, SCIENTIFIC, OR EDUCATIONAL USE ¹ | | | | | | | | | | | |
| 4. EXPORT | | | | | | | | | | | |
| 5. TRANSFER TO FOREIGN TRADE ZONE | | | | | | | | | | | |
| 6. TRANSFER TO CMBW | | | | | | | | | | | |
| 7. USE AS SUPPLIES ON VESSELS OR AIRCRAFT | | | | | | | | | | | |
| 8. USE IN WINE PRODUCTION | | | | | | | | | | | |
| 9. ENTERED IN PROCESSING ACCOUNT | MUST BE EQUAL OR LESS THAN | | AMOUNT ON LINE 2 (c) PROCESSING | | REPORT | | | | | | |
| 10. ENTERED FOR TRANSFER IN BOND | | | | | | | | | | | |
| 11. ENTERED IN STORAGE ACCOUNT | MUST BE EQUAL OR LESS THAN | | AMOUNT ON LINE 2 STORAGE | | REPORT | | | | | | |
| 12. WITHDRAWN FOR RESEARCH, DEVELOPMENT, OR TESTING ² | | | | | | | | | | | |
| 13. | | | | | | | | | | | |
| 14. PRODUCED (Total, Lines 1 through 13) | Part III LINE 1-3 | Part III Line 4 | Part IV Line 1 & 2 | Part IV Line 3-4 | | | | Part II | | | |
| 15. RECEIVED FOR REDISTILLATION ³ | INCLUDE | | LINE 18 OF STORAGE REPORT AND | | LINE 17 & 37 OF PROCESSING REPORT ON | | | THIS LINE | | | |
| 16. ⁴ | | | | | | | | | | | |
| 17. PHYSICAL INVENTORY- END OF CALENDAR QUARTER | (a) RECEIVED FOR REDISTILLATION ³ | | | | | | | | | | |
| | (b) UNFINISHED SPIRITS | | | | | | | | | | |



Monthly Report of Storage Operations: TTB F 5110.11

- Shows product coming from the production area
- Shows product received onto the distillery premises
- Shows where the product goes to after storing it
- Your **on hand** beginning and **on hand** ending will show if you are storing for longer periods
- There is no time limit for how long something sits in this area before you have to report it, whether you store something briefly or for years



Monthly Report of Storage Operations: TTB F 5110.11

| DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) | | | | | REPORT COVERS | | | | | | | |
|---|--|--------------------------------------|---|--------------------------------------|---|----------------|---|--------------------------|-----------------------|------------------|--------------------|--|
| MONTHLY REPORT OF STORAGE OPERATIONS | | | | | <input type="checkbox"/> DOMESTIC SPIRITS AND ALL WINES | | <input type="checkbox"/> IMPORTED SPIRITS | | | | | |
| INSTRUCTIONS Every proprietor as a warehouseman must prepare this form monthly, in duplicate. Forward the original to the Director, National Revenue Center 550 Main St, Ste 8002, Cincinnati, OH 45202-5215, not later than the 15th day of the month following that for which the report is rendered. | | | | | The remaining copy must be retained by the proprietor. Separate reports must be prepared for domestic spirits, imported spirits, Puerto Rican spirits, and spirits from the U.S. Virgin Islands. Denaturing operations must be reported on TTB F 5110.43. | | | | | | NAME OF PROPRIETOR | |
| | | | | | | | | | | | LOCATION OF PLANT | |
| TRANSACTIONS (a) | WHISKY ^{6/} | | BRANDY | | RUM (f) | GIN (g) | VODKA (h) | ALCOHOL AND SPIRITS | | OTHER (k) | | |
| | DISTILLED AT 160° AND UNDER (b) | DISTILLED AT OVER 160° (c) | DISTILLED AT 170° AND UNDER (d) | DISTILLED AT OVER 170° (e) | | | | 190° AND OVER (i) | UNDER 190° (j) | | | |
| 1. On hand first of month | Line 23 on the previous report | | | | | | | | | | | |
| 2. Deposited in bulk storage ^{1/} | Line 11 Production Report and all Transfers in Bond | | | | | | | | | | | |
| 3. Received from Customs custody | | | | | | | | | | | | |
| 4. Returned to bulk storage | | | | | | | | | | | | |
| 5. | | | | | | | | | | | | |
| 6. TOTAL (Lines 1 through 5) | Line 6 and Line 24 must always match | | | | | | | | | | | |
| 7. Taxpaid | To show on Tax Return when actually removed from storage account | | | | | | | | | | | |
| 8. Use of the United States | | | | | | | | | | | | |
| 9. Hospital, scientific educational use ^{2/} | | | | | | | | | | | | |
| 10. Export | | | | | | | | | | | | |
| 11. Transfer to foreign-trade zone | | | | | | | | | | | | |
| 12. Transfer to CMBW | | | | | | | | | | | | |
| 13. Use as supplies on vessels and aircraft | | | | | | | | | | | | |
| 14. Transfer to bonded winery | | | | | | | | | | | | |

WITHDRAWN FOR



Monthly Report of Processing Operations: TTB F 5110.28

- Shows what was received from production, storage, other distilleries or customs
- Addition of flavors, blending, bottling
- Removal of bottled product
- Tax determination of bottled product occurs
- Storage of bottled product
- Reclassification of product can occur



Monthly Report of Processing Operations: TTB F 5110.28

OMB NO. 1513-0041 (01/31/2014)

| DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) MONTHLY REPORT OF PROCESSING OPERATIONS | | | 1. PLANT NUMBER | 2. MONTH AND YEAR | |
|--|--------------------------------|-----------------------------------|---|-----------------------------------|------------------------------------|
| 1. Every proprietor engaged in processing operations must prepare this form each month in duplicate. 2. The proprietor must forward the original to the Director, National Revenue Center, on or before the 15th day of the month following the month for which prepared. 3. The copy is to be kept on file by the proprietor. | | | 3. NAME OF PROPRIETOR | | |
| | | | 5. Employer Identification Number (EIN) | | |
| 4. LOCATION OF PLANT | | | | | |
| PART I - BULK INGREDIENTS | | | PART II - FINISHED PRODUCTS | | |
| TRANSACTION (a) | WINE (Proof gallons) (b) | SPIRITS (Proof gallons) (c) | TRANSACTION (a) | BOTTLED (Proof gallons) (b) | PACKAGED (Proof gallons) (c) |
| 1. ON HAND FIRST OF MONTH | Line 25 of Previous report | Line 9 Line 17 * | 27. ON HAND FIRST OF MONTH | Line 46 of Previous report | Line 9(c) |
| 2. RECEIVED (Other than line 3) | | | 28. BOTTLED OR PACKAGED | | |
| 3. ALCOHOL FOR FUEL USE RECEIVED FROM CUSTOMS CUSTODY | | | 29. RECEIVED | | |
| 4. ALCOHOL, FLAVOR, MATERIALS DUMPED | | | 30. INVENTORY OVERAGES | | |
| 5. WINE MIXED WITH SPIRITS | | Line 10 (b) | 31. TOTAL - LINES 27 THROUGH 30 | | |



Monthly Report of Processing (Denaturing) Operations: TTB F 5110.43

- Only filed by industrial DSPs that are approved for denaturing operations
- Shows denaturing activity for the month
- There is a yearly withdrawal amount requirement



Monthly Report of Processing (Denaturing) Operations: TTB F 5110.43

| | | | | | | |
|---|--|--|--------------------------------------|--|--|------------------------------|
| DEPARTMENT OF THE TREASURY | | | | OMB No. 1513-0049 (1/31/2013) | | |
| ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) | | | | | | |
| MONTHLY REPORT OF PROCESSING (DENATURING) OPERATIONS | | | | | | |
| NAME OF PROPRIETOR | | | LOCATION OF PLANT | | | |
| | | | | Text | | |
| | | | | Text | | |
| | | | | PLANT NUMBER DSP- | | |
| SECTION I - DENATURED SPIRITS | | | | SECTION II - RECOVERED DENATURED SPIRITS AND RECOVERED ARTICLES RECEIVED FOR RESTORATION AND/OR REDENATURATION UNDER 27 CFR 19.683 1 AND RECOVERED DENATURED SPIRITS AND RECOVERED ARTICLES ON MY BONDED PREMISES RECEIVED FOR RESTORATION AND/OR REDENATURATION. | | |
| TRANSACTION (a) | WINE GALLONS | | | TRANSACTION (a) | WINE GALLONS | |
| | COMPLETELY DENATURED ALCOHOL (b) | SPECIALLY DENATURED ALCOHOL (c) | SPECIALLY DENATURED RUM (d) | | RECOVERED DENATURED SPIRITS (b) | RECOVERED ARTICLES (c) |
| 1. On hand first of month | Line 13 of previous processing report | | | | Line 23 of your previous report | |
| 2. Produced | Amount of denatured alcohol produced from alcohol received | | | | | |
| 3. Rec'd by transfer in bond ³ | | | | | | |
| 4. | | | | | | |
| 5. TOTAL Lines 1-4 | Must match Line 14 of this report | | | 15. On hand first of month | | |



Mailing Address for Operational Reports

If filing operations reports by mail, please be sure to use the correct address

**Director, National Revenue Center
TTB
550 Main St, Suite 8002
Cincinnati, OH 45202-5215**



Records, Reports, & Returns

Records

Operational
Reports

Excise Tax
Return



Excise Tax Return

TTB F 5000.24

| Filing Frequency | Eligibility Requirement |
|---------------------|--|
| Annually | You may file 1 tax return per year if you are liable for \$1,000 or less of tax on spirits in the current and prior calendar year |
| Quarterly | File quarterly if you are liable for \$50,000 or less of tax on spirits in the current and prior calendar year |
| Semi-monthly | You must file a tax return two times per month if you are liable for more than \$50,000 in spirits tax in the current and prior calendar year |

Note: You can fix previous returns with an increasing or decreasing adjustment



Excise Tax Return & Payment Due Dates

Tax returns (and payment, if any) are due the 14th day after the close of the tax period

- If the due date falls on a weekend or legal holiday, the due date is the immediately preceding business day

Due date schedule for each year is available on our website

- <https://www.ttb.gov/tax-audit/excise-tax-and-export-due-dates>

27 CFR 19.236

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
EXCISE TAX RETURN
(Prepare in duplicate - See instructions below)

2. FORM OF PAYMENT
 CHECK MONEY ORDER EFT OTHER (Specify) _____

4. RETURN COVERS (Check one)
 PREPAYMENT PERIOD
BEGINNING _____
ENDING _____

5. DATE PRODUCTS TO BE REMOVED (For Prepayment Returns Only)

6. EMPLOYER IDENTIFICATION NUMBER _____
7. PLANT, REGISTRY, OR PERMIT NUMBER _____

8. NAME AND ADDRESS OF TAXPAYER (Include ZIP Code)

1. SERIAL NUMBER

3. AMOUNT OF PAYMENT
\$ _____

NOTE: PLEASE MAKE CHECKS OR MONEY ORDERS PAYABLE TO THE ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (SHOW EMPLOYER IDENTIFICATION NUMBER ON ALL CHECKS OR MONEY ORDERS). IF YOU SEND A CHECK, SEE PAPER CHECK CONVERSION NOTICE BELOW.

| FOR TTB USE ONLY | |
|------------------|----------|
| TAX | \$ _____ |
| PENALTY | _____ |
| INTEREST | _____ |
| TOTAL | \$ _____ |
| EXAMINED BY: | _____ |
| DATE EXAMINED: | _____ |

CALCULATION OF TAX DUE (Before making entries on lines 18 - 21, complete Schedules A and B)

| PRODUCT (a) | AMOUNT OF TAX (b) |
|--|----------------------|
| 9. DISTILLED SPIRITS | \$ _____ |
| 10. WINE | _____ |
| 11. BEER | _____ |
| 12. CIGARS | _____ |
| 13. CIGARETTES | _____ |
| 14. CIGARETTE PAPERS AND/OR CIGARETTE TUBES | _____ |
| 15. CHEWING TOBACCO AND/OR SNUFF | _____ |
| 16. PIPE TOBACCO AND/OR ROLL-YOUR-OWN TOBACCO | _____ |
| 17. TOTAL TAX LIABILITY (Total of lines 9-16) | \$ _____ 0.00 |
| 18. ADJUSTMENTS INCREASING AMOUNT DUE (From line 29) | _____ 0.00 |
| 19. GROSS AMOUNT DUE (Line 17 plus line 18) | \$ _____ 0.00 |
| 20. ADJUSTMENTS DECREASING AMOUNT DUE (From line 34) | _____ 0.00 |
| 21. AMOUNT TO BE PAID WITH THIS RETURN (Line 19 minus line 20) | \$ _____ 0.00 |

Under penalties of perjury, I declare that I have examined this return (including any accompanying explanations, statements, schedules, and forms) and to the best of my knowledge and belief it is true, correct, and includes all transactions and tax liabilities required by law or regulations to be reported.

22. DATE _____ 23. SIGNATURE _____ 24. TITLE _____

TTB Form 5000.24sm

SCHEDULE A – ADJUSTMENTS INCREASING AMOUNT DUE

| EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a) | AMOUNT OF ADJUSTMENTS | | |
|---|-----------------------|--------------|-------------|
| | (b) TAX | (c) INTEREST | (d) PENALTY |
| 25. | \$ | | \$ |
| 26. | | | |
| 27. | | | |
| 28. SUBTOTALS OF COLUMNS (b), (c), and (d) | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| 29. TOTAL ADJUSTMENTS INCREASING AMOUNT DUE (Line 28, Col (b) + (c) + (d)) Enter here and on line 18. | | | \$ 0.00 |

SCHEDULE B – ADJUSTMENTS DECREASING AMOUNT DUE

| EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a) | AMOUNT OF ADJUSTMENTS | |
|---|-----------------------|--------------|
| | (b) TAX | (c) INTEREST |
| 30. | \$ | \$ |
| 31. | | |
| 32. | | |
| 33. SUBTOTALS OF COLUMNS (b) and (c) | \$ 0.00 | \$ 0.00 |
| 34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE (Line 33, Col (b) + (c)) Enter here and on line 20. | | \$ 0.00 |

Notice to Customers Making Payment by Check

If you send us a check, it will be converted into an electronic funds transfer (EFT). This means we will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will usually occur within 24 hours, and will be shown on your regular account statement.

You will not receive your original check back. We will destroy your original check, but we will keep the copy of it. If the EFT cannot be processed for technical reasons, you authorize us to process the copy in place of your original check. If the EFT cannot be completed because of insufficient funds, we may try to make the transfer up to 2 times.

TTB F 5000.24sm (11/2016)



Craft Beverage Modernization Act (CBMA)

The Craft Beverage Modernization Act was made permanent at the end of 2020 making the reduced rates for distilled spirits permanent

- Ensure you are using the appropriate tax rates for distilled spirits removed or imported
- Single Taxpayer
- Controlled Groups

You must have distilled or processed the spirits to qualify for the reduced rates!



Craft Beverage Modernization Act (CMBA)

Effective January 1, 2022

- Beginning in 2022, only DSPs who perform a processing activity **other than bottling** are entitled to take a CBMA reduced rate on distilled spirits that they process and remove
- TTB is currently developing guidance on which processing activities qualify the DSP for a reduced rate



Tax Rates*

\$2.70 for the 1st 100,000 proof gallons removed each calendar year

\$13.34 for over 100,000 up to 22,230,000 proof gallons

\$13.50 for over 22,230,000 proof gallons

*Reduced tax rates may be limited if you are part of a controlled group or a single taxpayer arrangement



How to Determine Tax Liability

Depending on when you remove your product from DSP premises, include removals found on:

- Line 1 of the production report
- Line 7 of the storage report
- Line 13 and Line 33 of the processing report

Example: If you remove 100 proof gallons, and your annual removals that year are under 100,000 proof gallons, your tax rate is \$2.70 and your tax liability is \$270.00



Pay.gov

You may electronically file tax returns, file operations reports, and pay taxes through [Pay.gov](https://www.pay.gov)

- Secure
- Convenient and fast
- Free
- Checks entries and totals for accuracy

For more information on how to register, go to

<https://www.ttb.gov/epayment/epayment.shtml>



Mailing Address for Returns & Payments

- If filing by mail, please be sure to use the correct address
- Late returns or payment are subject to penalties and interest

DO NOT mail returns or payments to the National Revenue Center in Cincinnati, Ohio

**TTB
Excise Tax
P.O. Box 790353
St. Louis, MO 63179-0353**



Online Claims Submission

Use our online submission process to file and receive payment for claims

- [Submit a Claim Online](#)