



Regulatory Updates: Labeling Modernization for Malt Beverages

CURT EILERS, REGULATIONS SPECIALIST

MAY 2, 2022



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.

Sample documents (such as records, returns, and labels) are for illustrative purposes only and contain fictitious data.



Labeling Modernization Proposed Rule

In 2018, TTB proposed to modernize the labeling and advertising regulations for wine, distilled spirits, and malt beverages (27 CFR parts 4, 5, and 7). The purposes were to:

- Reorganize regulations
- Simplify and clarify regulatory standards
- Incorporate guidance documents and current policy
- Reduce regulatory burden on industry members where possible



Label Modernization

Phase 1 Final Rule

On April 2, 2020, TTB published a rule known informally as “Phase 1.” This rule finalized proposals that could be implemented quickly and provide industry members greater flexibility. These included, for malt beverages:

1. Alcohol by Weight.

Truthful, accurate, and specific statements of alcohol content other than alcohol by volume, such as alcohol by weight, may be included on labels together with and as part of a statement of alcohol by volume.

27 CFR 7.65



Label Modernization

Phase 1 Final Rule (cont.)

2. Use of the Terms “Draft” or “Draught”

Before, use of these terms required that the product be unpasteurized, or be dispensed through a tap or spigot (for containers of one gallon or more).

TTB determined that consumers would not be misled by use of the term on unpasteurized products, or on containers that did not have a tap.

These terms are now considered “puffery” that may be used without restriction.



Label Modernization

Phase 1 Final Rule (cont.)

3. Strength Claims Allowed

Generally, a strength claim refers to the alcohol content. Examples include “strong,” “full strength,” or “pre-war strength.”

TTB proposed to ease the restrictions on the use of strength claims. In response to comments, TTB decided to remove the prohibition on strength claims entirely.

Note: Some terms remain subject to conditions in the regulations. These include “low alcohol,” “reduced alcohol,” “non-alcoholic,” and “alcohol free.” See 27 CFR 7.65(d)–(f).



Label Modernization

Phase 1 Final Rule (cont.)

4. Brewery Products that are Not Malt Beverages Under the FAA Act

Some products meet the definition of “beer” under the IRC, but are not malt beverages under the FAA Act. It includes:

- A. Saké and similar products that fall within the definition of wine under the FAA Act and
- B. Beer not made with both malted barley and hops.

27 CFR 7.6



Label Modernization

Phase 1 Final Rule (cont.)

5. Added Definition of Certificate of Label Approval (COLA)

Authorizes labels identical to the label(s) appearing on the face of the COLA, or labels with changes authorized by TTB on the certificate or otherwise, such as via public guidance documents.

27 CFR 7.1, 7.22, and 7.25



Label Modernization

Phase 1 Final Rule (cont.)

6. Personalized Labels

Regulations now cover the approval process for personalizing labels (for example, with a personal message, picture, or other artwork) without submitting COLAs for every label.

A. Submit a template as part of the COLA application that is otherwise compliant with all labeling rules.

B. Describe the specific personalized information that may change from label to label.

C. Receive COLA approval (will include a qualification allowing the personalized information).

27 CFR 7.29



Label Modernization

Phase 2 Final Rule

On February 9, 2022, TTB published a second final rule which revised the labeling and advertising regulations in part 5 for distilled spirits and part 7 for malt beverages. Its purposes are to:

- improve the clarity and usability of the regulations
- liberalize certain requirements, and
- assist industry members in submitting compliant label and formula applications



Label Modernization

Phase 2 Final Rule (cont.)

Regarding malt beverages specifically, the final rule:

1. Removed the distinction between “bottling” malt beverages into containers of less than one gallon, and “packing” malt beverages into containers of one gallon or more (27 CFR 7.1).
2. Provided exceptions (for keg collars and tap covers) to the requirement that labels be firmly affixed to containers (27 CFR 7.51).



Label Modernization

Phase 2 Final Rule (cont.)

3. Clarified that descriptive terms about color or style (such as “amber,” “red,” “dry,” and “cream”) are permitted before class designations (27 CFR 7.142).
4. Removed a prohibition on the use of country flags or any symbol related to the U.S. Armed Forces. These symbols are prohibited only when they create a misleading impression (such as endorsement or affiliation) (27 CFR 7.126).



Label Modernization

Phase 2 Final Rule (cont.)

5. Removed a prohibition on labeling features that resemble a stamp of the U.S. government or of any State or foreign government.
6. Clarified that endorsements of products on labels by living persons or existing private or public organizations are permitted (27 CFR 7.130).



Label Modernization

Phase 2 Final Rule (cont.)

7. Removed a prohibition on terms like “bonded” or “bottled in bond.” However, it is still prohibited to imply that government supervision or certification was provided when it was not (27 CFR 7.131).
8. Clarified that money-back guarantees are permitted (27 CFR 7.123).



Label Modernization

Phase 2 Final Rule (cont.)

9. Eliminated requirement that certain mandatory information appear on a “brand label.” Such information may appear on any label (27 CFR 7.63).

10. Codified policy that formulas or samples may be requested from bottlers or importers during a COLA review (27 CFR 7.28).



Label Modernization

Phase 2 Final Rule (cont.)

11. Relabeling:

- A. Malt beverages may be relabeled before removal from bond (or after return to bond), or in the case of importers, before removal from customs custody, without seeking TTB approval (27 CFR 7.42).
- B. Relabeling is allowed by a brewer or importer after removal from bond without seeking TTB approval (27 CFR 7.42).
- C. Relabeling by *other* brewers or permittees may be done with written authorization from TTB (to replace damaged labels or bring labels into compliance with part 7 or State law) (27 CFR 7.43).



Label Modernization

Phase 2 Final Rule (cont.)

D. Labels that identify the wholesaler, retailer, or consumer of a malt beverages may be added to containers without TTB approval (and without obtaining a new COLA) (27 CFR 7.44).

- Added labels must not otherwise violate the labeling rules,
- Reference the characteristics of the product, or
- Obscure any other label on the container



Label Modernization Navigation Tables

TTB published derivation tables with the Phase 2 final rule. These show where each new section in the regulations came from ([87 FR 7526](#)).

27 CFR Part 7	
Requirements of new section:	Are derived from current section:
7.0	7.1.
Subpart A—General Provisions	
7.1	7.10.
7.2	7.2.
7.3	7.20(b) and (c).
7.4	7.20(a) and New.
7.5	7.11.
7.6	7.6.
7.7	New.
7.8	7.60.
7.9	[reserved].
7.10	7.4.
7.11	7.3.
7.12	7.5.
Subpart B—Certificates of Label Approval	
7.21	7.20(b), and 7.40-7.42.
7.22	7.40 and 7.41.
7.23	[reserved].
7.24	7.30 and 7.31(b).



Labeling Resources

Beer Resources

TTB Beer Rulings

www.ttb.gov/beer/rulings

Beer-Beverage Alcohol Manual (BAM)

www.ttb.gov/beer/beverage-alcohol-manual

TTB Beer Industry Circulars

www.ttb.gov/beer/industry-circulars

Do I Need a Formula? Tool

www.ttb.gov/formulation/mbev

TTB Beer Frequently Asked Questions (FAQs)

www.ttb.gov/beer/beer-faqs

TTB G 2016-1A – Beer/Malt Beverages Requiring Formula Approval or Laboratory Sample Analysis Chart

www.ttb.gov/public-guidance/ttb-g-2016-1a

Allowable Revisions to Approved Labels

www.ttb.gov/labeling/allowable-revisions

Labeling Laws and Regulations

www.ttb.gov/labeling/laws-and-regulations



Contact Us

Questions?

Contact the Alcohol Labeling and Formulation Division at:

- Toll Free at 866-927-ALFD (2533), OR
- Use our [Alcohol Labeling and Formulation Division \(ALFD\) Contact Form](#)

Representatives are Available:

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