



Department of the Treasury

Alcohol and Tobacco Tax and Trade Bureau



Announcement

TTB Suspends Ruling 2014-3 Pending Rulemaking

On March 11, 2014, TTB published [TTB Ruling 2014-3](#), entitled "Bottling Taxpaid Wine in Growlers or Similar Containers for Consumption Off of the Premises." The ruling held that the filling of growlers and similar containers with taxpaid wine for consumption off of the premises was a bottling activity subject to the taxpaid wine bottling house provisions of the Internal Revenue Code of 1986, as amended (IRC). Thus, the ruling held that businesses filling wine growlers were required to apply for approval as taxpaid wine bottling houses, to label their growlers, to keep certain records, and to comply with other regulations regarding their operations. Proprietors of taxpaid wine bottling houses are not required to file bonds or pay Federal excise taxes under Chapter 52 of the IRC on the wine that they bottle, because their operations deal only with taxpaid wine.

Since the publication of the ruling, several representatives of the wine industry have raised a variety of concerns with TTB's ruling and some have asked TTB to reconsider the ruling and hold it in abeyance pending our reconsideration. Among other things, concerns have been raised that the ruling would unduly burden the businesses who sell wine growlers in States where such sales are permitted under State and local law. TTB recognizes that our existing regulations were intended to cover traditional taxpaid wine bottling activities, rather than the filling of wine growlers.

Accordingly, TTB has determined that it would be appropriate to engage in rulemaking on this issue so that we can modernize our regulations to specifically address the filling of growlers with taxpaid wine. This will allow TTB to evaluate what regulations are necessary in order to protect the revenue without unduly burdening businesses that wish to engage in this activity. This will also enable us to evaluate comments from all interested parties, including consumers, industry members, and State regulatory agencies.

In the interim, we are suspending TTB Ruling 2014-3 pending rulemaking on the filling of growlers.