

1513-0048

26 U.S.C.

Sec. 5171. - Establishment

(a) Certain operations may be conducted only on bonded premises

Except as otherwise provided by law, operations as a distiller, warehouseman, or processor may be conducted only on the bonded premises of a distilled spirits plant by a person who is qualified under this subchapter.

(b) Establishment of distilled spirits plant

A distilled spirits plant may be established only by a person who intends to conduct at such plant operations as a distiller, as a warehouseman, or as both.

(c) Registration

(1) In general

Each person shall, before commencing operations at a distilled spirits plant (and at such other times as the Secretary may by regulations prescribe), make application to the Secretary for, and receive notice of, the registration of such plant.

(2) Application required where new operations are added

No operation in addition to those set forth in the application made pursuant to paragraph (1) may be conducted at a distilled spirits plant until the person has made application to the Secretary for, and received notice of, the registration of such additional operation.

(3) Secretary may establish minimum capacity and level of activity requirements

The Secretary may by regulations prescribe for each type of operation minimum capacity and level of activity requirements for qualifying premises as a distilled spirits plant.

(4) Applicant must comply with law and regulations

No plant (or additional operation) shall be registered under this section until the applicant has complied with the requirements of law and regulations in relation to the qualification of such plant (or additional operation).

(d) Permits

(1) Requirements

Each person required to file an application for registration under subsection (c) whose distilled spirits operations (or any part thereof) are not required to be covered by a basic permit under the Federal Alcohol Administration Act (27 U.S.C. secs. 203 and 204) shall, before commencing the operations (or part thereof) not so covered, apply for and obtain a permit under this subsection from the Secretary to engage in such operations (or part thereof). Subsections (b), (c), (d), (e), (f), (g), and (h) of section 5271 are hereby made applicable to persons filing applications and permits required by or issued under this subsection.

(2) Exceptions for agencies of a State or political subdivisions

Paragraph (1) shall not apply to any agency of a State or political subdivision thereof or to any officer or employee of any such agency, and no such agency, officer, or employee shall be required to obtain a permit thereunder.

(e) Cross references

(1) For penalty for failure of a distiller or processor to file application for registration as required by this section, see section 5601(a)(2).

(2) For penalty for the filing of a false application by a distiller, warehouseman, or processor of distilled spirits, see section 5601(a)(3)

Sec. 5172. - Application

The application for registration required by section 5171(c) shall, in such manner and form as the Secretary may by regulations prescribe, identify the applicant and persons interested in the business (or businesses) covered by the application, show the nature, location and extent of the premises, show the specific type or types of operations to be conducted on such premises, and show any other information which the Secretary may by regulations require for the purpose of carrying out the provisions of this chapter

Sec. 5201. - Regulation of operations

(a) General

Proprietors of distilled spirits plants shall conduct all operations authorized to be conducted on the premises of such plants under such regulations as the Secretary shall prescribe.

(b) Distilled spirits for industrial uses

The regulations of the Secretary under this chapter respecting the production, warehousing, denaturing, distribution, sale, export, and use of distilled spirits for industrial purposes shall be such as he deems necessary, advisable, or proper to secure the revenue, to prevent diversion to illegal uses, and to place the distilled spirits industry and other industries using such distilled spirits as a chemical raw material or for other lawful industrial purposes on the highest possible plane of scientific and commercial efficiency and development consistent with the provisions of this chapter. Where

nonpotable chemical mixtures containing distilled spirits are produced for transfer to the bonded premises of a distilled spirits plant for completion of processing, the Secretary may waive any provision of this chapter with respect to the production of such mixtures, and the processing of such mixtures on the bonded premises shall be deemed to be production of distilled spirits for purposes of this chapter.

(c) Hours of operations

The Secretary may prescribe regulations relating to hours for distillery operations and to hours for removal of distilled spirits from distilled spirits plants; however, such regulations shall not be more restrictive, as to any operation or function, than the provisions of internal revenue law and regulations relating to such operation or function in effect on the day preceding the effective date of this section.

(d) Identification of distilled spirits

The Secretary may provide by regulations for the addition of tracer elements to distilled spirits to facilitate the enforcement of this chapter. Tracer elements to be added to distilled spirits at any distilled spirits plant under provisions of this subsection shall be of such character and in such quantity as the Secretary may authorize or require, and such as will not impair the quality of the distilled spirits for their intended use.

Sec. 5312. - Production and use of distilled spirits for experimental research

(a) Scientific institutions and colleges of learning

Under such regulations as the Secretary may prescribe and on the filing of such bonds and applications as he may require, any scientific university, college of learning, or institution of scientific research may produce, receive, blend, treat, test, and store distilled spirits, without payment of tax, for experimental or research use but not for consumption (other than organoleptic tests) or sale, in such quantities as may be reasonably necessary for such purposes.

(b) Experimental distilled spirits plants

Under such regulations as the Secretary may prescribe and on the filing of such bonds and applications as he may require, experimental distilled spirits plants may, at the discretion of the Secretary, be established and operated for specific and limited periods of time solely for experimentation in, or development of -

(1) sources of materials from which distilled spirits may be produced;

(2) processes by which distilled spirits may be produced or refined; or

(3) industrial uses of distilled spirits.

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Sec. 19.66 Application to establish experimental plants.

Any person desiring to establish an experimental plant shall make written application to the appropriate TTB officer and obtain approval of the proposed establishment. The applicant shall file with such application a bond in such form and penal sum as required by the appropriate TTB officer. The application shall state the nature, extent, and purpose of the operations to be conducted and describe the operations and equipment, the location of the plant (including the proximity to other premises or operations subject to the provisions of 26 U.S.C. Chapter 51) and the security measures to be provided. The appropriate TTB officer may require the submission of additional information as he deems necessary. The appropriate TTB officer shall not permit operations until he has found that the plant conforms to the specifications set forth in the application, as approved, and the applicant has complied with provisions of 26 U.S.C. Chapter 51, and this part not specifically waived by the appropriate TTB officer.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1375, as amended (26 U.S.C. 5312))

Sec. 19.67 Spirits produced in industrial processes.

(a) Applicability. (1) Persons who produce spirits in industrial processes (including spirits produced as a by-product in connection with chemical or other processes) are distillers and are required to qualify and pay special (occupational) tax under provisions of 26 U.S.C. Chapter 51 and this part.

(2) The appropriate TTB officer may, however, waive any provision of 26 U.S.C. Chapter 51, or of this part, with respect to the production of nonpotable chemical mixtures containing spirits, including any provision relating to qualification (except the payment of special (occupational) tax), if such mixtures are produced:

- (i) For transfer to the bonded premises of a distilled spirits plant for completion of distilling; or
- (ii) As a by-product which would require expensive and complex equipment for the recovery of spirits.

(3) The waiver under the provisions of paragraph (a)(2)(ii) of this section is further conditioned that such mixture would:

- (i) Be destroyed on the premises where produced; or
- (ii) Contain a minimum quantity of spirits practicable with the procedure employed, not be subjected to further operations solely for the purification or recovery of spirits, and be found by the appropriate TTB officer to be as nonpotable and at least as difficult with respect to recovery as completely denatured alcohol.

(b) Application for waiver. (1) When the producer of nonpotable mixtures desires to secure a waiver of designated provisions of 26 U.S.C. Chapter 51, or this part, he shall file an application with the appropriate TTB officer.

(2) The application shall include, as applicable--

- (i) Name and address of producer;
- (ii) Chemical composition and source of the nonpotable mixture;
- (iii) Approximate percentages of chemicals and spirits in the mixture;
- (iv) Method of operation proposed;
- (v) Bonded premises where the mixture will be distilled; and
- (vi) Other pertinent information required by the appropriate TTB officer.

(c) Approval. If the appropriate TTB officer finds that the waiver of the requirements, or any of them, will not jeopardize the revenue and will not unduly hinder supervision of the operations, he may approve the application under such

terms and conditions as he deems advisable and subject to the furnishing of any bond which he deems necessary.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1356, as amended (26 U.S.C. 5201))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985, as amended by T.D. ATF-271 53 FR 17543, May 17, 1988]

Sec. 19.71 Experimental or research operations by scientific institutions and colleges of learning.

(a) General. The appropriate TTB officer may authorize any scientific university, college of learning, or institution of scientific research to produce, receive, blend, treat, test, and store spirits, without payment of tax, for experimental or research use but not for consumption (other than organoleptic tests) or sale, in quantities as may be reasonably necessary for such purposes. The appropriate TTB officer may waive any provision of 26 U.S.C. Chapter 51 (other than 26 U.S.C. 5312), or this part (other than this section) to the extent necessary to effect the purposes of 26 U.S.C. 5312(a), except he may not waive the payment of any tax on distilled spirits removed from any university, college, or institution. A person conducting experimental or research operations authorized under this section is subject to special (occupational) tax under subpart Ca of this part and shall hold a special tax stamp to cover the experimental or research operations.

(b) Qualification. Any university, college, or institution desiring to conduct any of the experimental or research operations listed in the preceding paragraphs shall make written application, to the appropriate TTB officer and obtain approval of the proposed operations. The applicant shall file with the application a bond in a form and penal sum as required by the appropriate TTB officer. The application shall state the nature, extent, and purpose of the operations to be conducted and describe the operations and equipment, the location at which operations will be conducted (including identification of the building or buildings, or the portions thereof to be used), and the security measures to be provided. The appropriate TTB officer may require any additional information. Operations shall not be commenced until authorized by the appropriate TTB officer.

(c) Records. Reports concerning the operations need not be submitted unless required by the appropriate TTB officer, but records of the quantities of spirits produced, received, and used each day shall be made and retained for inspection by appropriate TTB officers.

(d) Discontinuance of operations. When operations authorized by the appropriate TTB officer are discontinued, all remaining spirits shall be disposed of by destruction. When these spirits have been destroyed, notice of the discontinuance of operations shall be given to the appropriate TTB officer.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1375, as amended (26 U.S.C. 5312))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985, as amended by T.D. ATF-271, 53 FR 17543, May 17, 1988]

Sec. 19.75 Assignment of officers and supervision of operations.

(a) General. The appropriate TTB officer may assign such number of TTB officers to distilled spirits plants and utilize controls (including the use of Government locks and seals) as necessary to maintain supervision of operations conducted at such plants. When supervision is necessary:

(1) The appropriate TTB officer may require a proprietor to delay any distilled spirits operation so that it may be conducted in the presence of an appropriate TTB officer; and

(2) The appropriate TTB officer may require the proprietor to submit a schedule of operations to an appropriate TTB officer.

(b) Hours of operation. When operations at a distilled spirits plant are to be conducted in the presence of an appropriate TTB officer, such operations: (1) Shall not be conducted on Sunday unless specifically authorized by the appropriate TTB officer in each instance on the showing of an emergency; and (2) Shall be conducted during an 8-hour period between 7 a.m. and 5 p.m. unless, pursuant to the proprietor's application the appropriate TTB officer authorizes the performance and supervision of operations during other hours. The appropriate TTB officer, in administering this provision, shall not restrict such operation or function to a greater extent than did the provisions of internal revenue law and regulations on June 30, 1959.

(c) Notification of supervision. (1) When it is determined that supervision of plant operations is necessary, the appropriate TTB officer shall notify the proprietor of the extent of TTB supervision.

(2) If supervision of a distilled spirits plant was not terminated as of December 31, 1979, notification is not necessary for continued supervision.

(d) Withdrawal of supervision. The appropriate TTB officer shall notify the proprietor when TTB supervision of plant operations is to be withdrawn.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1395, as amended (26 U.S.C. 5553); sec. 806, Pub. L. 96-39, 93 Stat. 279 (26 U.S.C. 5201, 5202))

Sec. 19.151 General requirements for registration.

(a) Operations. Except as otherwise provided by law, operations as a distiller, warehouseman, or processor may be conducted only on the bonded premises of a distilled spirits plant by a person qualified to carry out such operations under this subpart.

(b) Establishment. A distilled spirits plant may be established only by a person who intends to conduct at such plant operations as a distiller, as a warehouseman, or as both.

(c) Registration. Each person shall, before commencing operations at a distilled spirits plant, make application for and receive notice of registration of his plant with respect to such operations as provided in this part. Application for registration shall be made on Form 5110.41 to the appropriate TTB officer. Each application shall be executed under penalties of perjury, and all written statements, affidavits, and other documents submitted in support of the application or incorporated by reference shall be deemed to be a part thereof. The appropriate TTB officer may, in any instance where the outstanding notice of registration is inadequate or incorrect in any respect, require the filing of an application on Form 5110.41 to amend the notice of registration, specifying the respects in which amendment is required. Within 60 days after the receipt of such notice, the proprietor shall file such application.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended (26 U.S.C. 5172); sec. 805(a), Pub. L. 96-39, 93 Stat. 275 (26 U.S.C. 5171))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985; 50 FR 23410, June 4, 1985]

Sec. 19.152 Data for application for registration.

Application on Form 5110.41 shall include the following information:

- (a) Serial number and statement of purpose for which filed.
- (b) Name and principal business address of the applicant, and the location of the distilled spirits plant if different from the business address.
- (c) Statement of the type of business organization and of the persons interested in the business, supported by the items of information listed in Sec. 19.167.
- (d) Statement of the operations to be conducted.
- (e) In respect of the plant to which the Form 5110.41 relates, a list of applicant's operating and basic permits, and of the operations, withdrawal, or unit bonds (including those filed with the application) with the name of the surety or sureties for each bond.
- (f) List of the offices, the incumbents of which are authorized by the articles of incorporation or the board of directors to act on behalf of the proprietor or to sign the proprietor's name.
- (g) Description of the plant (see Sec. 19.168).
- (h) List of major equipment (see Sec. 19.166).
- (i) Statement of maximum proof gallons that will be produced in the distillery during a period of 15 days, stored on bonded premises, and in transit to the bonded premises. (Not required if the operations or unit bond is in the maximum sum.)
- (j) With respect to any distilled spirits plant which was not qualified to operate before June 1, 1985 a certified statement that relevant and material accounting records (including regular books of account and such other records and data as may be necessary to support such records) will be maintained in accordance with generally accepted accounting principles which enable the proprietor to file a correct distilled spirits tax return or determine whether he is liable for distilled spirits taxes.
- (k) Statement of physical security measures employed (see Sec. 19.153).
- (l) As applicable, the following:
 - (1) With respect to the operations of a distiller:
 - (i) Statement of daily producing capacity in proof gallons.
 - (ii) Statement of production procedure (see Sec. 19.170).
 - (iii) Statement whether spirits will be redistilled.
 - (2) With respect to the operations of a warehouseman:
 - (i) Description of the system of storage.
 - (ii) Statement of bulk storage capacity in wine gallons.
 - (3) With respect to the operations of a processor:
 - (i) Statement whether bottling operations will be conducted.
 - (ii) Statement whether denaturing operations will be conducted.
 - (iii) Statement whether articles will be manufactured.
 - (iv) Statement whether spirits will be redistilled.
 - (v) Description of the system of storage of spirits bottled and cased or otherwise packaged or placed in approved containers for removal from bonded premises.
- (4) If any other business is to be conducted on the distilled spirits plant premises, as provided by subpart D of this part, a description of the business, a list of the buildings and/or equipment to be used, and a statement as to the relationship, if any, of the business to distilled spirits operations at the plant.

If any of the information required by paragraph (c) of this section is on file with the appropriate TTB officer, that information, if accurate and complete, may by incorporation by reference, be made part of the application. The applicant shall,

when required by the appropriate TTB officer, furnish as a part of the application for registration, additional information as may be necessary to determine whether the application for registration should be approved.

(68 A Stat. 731, as amended (26 U.S.C. 6001); sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended (26 U.S.C. 5172); sec. 805(a), Pub. L. 96-39, 93 Stat. 275 (26 U.S.C. 5171))

Sec. 19.153 Statement of physical security.

(a) Content. The statement of security shall include:

- (1) A general description of the physical security at the distilled spirits plant, including methods utilized to secure buildings and outdoor tanks;
- (2) A statement whether guard personnel are employed;
- (3) A statement whether any electronic or mechanical alarm system is used;
- (4) A statement certifying that locks used meet the specifications provided in paragraph (e) of Sec. 19.281;
- (5) A list of persons by position or title having responsibility for the custody of and access to keys for approved locks used at the distilled spirits plant.

(b) Changes. The proprietor shall file an application for amended registration with the appropriate TTB officer for any change in personnel or procedures contained in the statement of security.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended (26 U.S.C. 5172); sec. 805(a), Pub. L. 96-39, 93 Stat. 275 (26 U.S.C. 5171))

Sec. 19.154 Notice of registration.

The application for registration, when approved, shall constitute the notice of registration of the distilled spirits plant. A distilled spirits plant shall not be registered or reregistered under this subpart until the applicant has complied with all requirements of law and regulations relating to the qualification of the business or operations in which the applicant intends to engage. A plant shall not be operated unless the proprietor has a valid notice of registration covering the businesses and operations to be conducted at such plant. In any instance where a bond is required to be given or a permit is required to be obtained with respect to a business or operation before notice of registration of the plant may be received with respect thereto, the notice of registration shall not be valid with respect to such business or operation in the event that such bond or permit is no longer in effect. An application for reregistration shall be filed and notice of registration again obtained before engaging in such business or operation at such plant. Reregistration is not required when a new bond or a strengthening bond is filed pursuant to Sec. 19.246 or 19.247.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended (26 U.S.C. 5172); sec. 805a, Pub. L. 96-39, 93 Stat. 275 (26 U.S.C. 5171))

Sec. 19.155 Maintenance of registration file.

The proprietor shall maintain the registration file in looseleaf form in complete and current condition, readily available at the plant for inspection by appropriate TTB officers.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended (26 U.S.C. 5172))

Sec. 19.180 Application for amended registration.

Where there is a change with respect to the information shown in the notice of registration, the proprietor shall submit, within 30 days of such change (except as otherwise provided in this subpart), an application on Form 5110.41 for amended registration. Such application shall set forth, on sheets appropriately numbered or otherwise identified, the information necessary to make the notice of registration accurate and current. Where the change affects only pages or parts of pages of the notice of registration, such complete pages shall be submitted as will enable the replacement of the pages affected and maintenance of the file as provided in Sec. 19.155.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended (26 U.S.C. 5172);
sec. 805(a), Pub. L. 96-39, 93 Stat. 275 (26 U.S.C. 5171))

Sec. 19.182 Change in name of proprietor.

Where there is to be a change in the individual, firm, or corporate name, the proprietor shall file application to amend the registration and to amend the operating and/or basic permit; a new bond or consent of surety will not be required. Operations may not be conducted under the new name prior to approval of the amended registration and issuance of the amended permit.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended, 1370, as amended
(26 U.S.C. 5172, 5271))

Sec. 19.184 Changes in stockholders.

Changes in the list of stockholders furnished under the provisions of Sec. 19.167(c) (1) may, in lieu of submission within 30 days of the change under the provisions of Sec. 19.180, be submitted annually by the proprietor on May 1 or other date approved by the appropriate TTB officer, except where the sale or transfer of capital stock results in a change in the control or management of the business.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended, 1370, as amended
(26 U.S.C. 5172, 5271))

Sec. 19.185 Changes in officers and directors.

Where there is any change in the list of officers and directors furnished under the provisions of Sec. 19.167(a)(2), the proprietor shall submit, within 30 days of any such change, an application on Form 5110.41 for amended registration, supported by a new list of officers and directors and a statement of the changes reflected in such list. Where the proprietor has shown to the satisfaction of the appropriate TTB officer that certain corporate officers listed on the original application have no responsibilities in connection with the operations covered by the registration, the appropriate TTB officer may waive the requirements for submitting applications for amended registration to cover changes of such corporate officers.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended, (26 U.S.C. 5172);
sec. 805(a), Pub. L. 96-39, 93 Stat. 275 (26 U.S.C. 5171))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985; 50 FR 23410, June 4, 1985]

Sec. 19.186 Change in proprietorship.

(a) General. If there is a change in the proprietorship of a plant qualified under this part, the outgoing proprietor shall comply with the requirements of Sec. 19.211, and the successor shall, before commencing operations, apply for and obtain the required permits, file the required bonds, and file application for and receive notice of registration of the plant in the same manner as a person qualifying as the proprietor of a new plant, except that the successor may, in the manner provided in Sec. 19.187, adopt the approved formulas (5150.9) of the predecessor. Spirits may be transferred from an outgoing proprietor of a plant to a successor in the manner provided in Sec. 19.201.

(b) Fiduciary. If the successor to the proprietorship of a plant is an administrator, executor, receiver, trustee, assignee or other fiduciary, he shall comply with the provisions of paragraph (a) of this section except that he may, in lieu of filing a new bond, furnish consent of surety extending the terms of the predecessor's bond, and he may also incorporate by reference in the application for registration on Form 5110.41 any pertinent information contained in the predecessor's notice of registration. The fiduciary shall furnish a certified copy of the order of the court or other pertinent document showing qualification as such fiduciary. The effective dates of the qualifying documents filed by the fiduciary shall be the effective date of the court order, or the date specified therein for him to assume control. If the fiduciary was not appointed by a court, the date of assuming control shall coincide with the effective date of the qualifying documents filed by the fiduciary.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended (26 U.S.C. 5172))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985, as amended by T.D. ATF-199, 50 FR 9160, Mar. 6, 1985; 50 FR 20099, May 14, 1985]

Sec. 19.189 Change in location.

Where there is a change in the location of the plant, the proprietor shall file applications to amend the registration of the plant and the operating and/or basic permit, and either a new bond or a consent of surety on Form 1533. Operation of the plant may not be commenced at the new location prior to approval of the amended registration and issuance of the amended permit.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349 as amended, 1370, as amended (26 U.S.C. 5172, 5271); sec. 805(c), Pub. L. 96-39, 93 Stat. 276 (26 U.S.C. 5173))

Sec. 19.190 Changes in premises.

Except as provided in Sec. Sec. 19.202, 19.203, 19.204, and 19.205, where bonded premises, or any other premises included as a part of the plant are to be extended or curtailed, the proprietor shall file an application for registration, Form 5110.41, to cover such extension or curtailment. Premises and equipment to be included by extension or to be excluded by curtailment shall not, prior to approval by the appropriate TTB officer of the required documents, be used for other than previously approved purposes.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended (26 U.S.C. 5172))

Sec. 19.191 Change in operations.

If the proprietor proposes to conduct a new business or operation involving spirits, he shall file applications to amend the registration of the plant and the operating

and/or basic permit. If the proprietor desires to engage, on the plant premises, in other businesses, as provided in subpart D, he shall submit an application to amend the registration of the plant to include the information required under Sec. 19.152(l) (4). The additional operation or business may not be carried on prior to approval of the amended registration and (if required) issuance of the amended permit.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended, 1370, as amended (26 U.S.C. 5172, 5271); sec. 805(a), Pub. L. 96-39, 93 Stat. 275 (26 U.S.C. 5171))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985; 50 FR 23410, June 4, 1985]

Sec. 19.192 Change in production procedure.

If the proprietor desires to produce a new product or make a change in a production procedure which would affect the designation, or substantially affect the character of his product, the proprietor shall file an application to amend the registration of the plant to include the amended or new statement of production procedure. The new or changed procedure may not be used prior to approval of the amended registration.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended, (26 U.S.C. 5172))

Sec. 19.193 Changes in construction or use of buildings and equipment.

(a) Changes. When a material change, affecting the accuracy of the notice of registration, is to be made in the construction or use of buildings or equipment of a plant, other than a change covered by Sec. Sec. 19.190, 19.202, 19.203, 19.204, or 19.205, the proprietor shall, before making such change, submit a letterhead notice to the appropriate TTB officer.

(b) Letterhead notice. The letterhead notice shall:

- (1) Describe the proposed change in detail;
- (2) Be kept on file with the proprietor's current notice of registration; and
- (3) After completion of the change, be incorporated in the next amendment of the notice of registration on Form 5110.41, unless the appropriate TTB officer requires immediate amendment.

(c) Emergency changes. The proprietor may make emergency material changes without prior notification, but when such emergency changes are made, the proprietor shall promptly report such changes to the appropriate TTB officer.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended, (26 U.S.C. 5172))

Sec. 19.211 Notice of permanent discontinuance.

When the proprietor permanently discontinues any or all of the operations listed in the notice of registration, he shall file a Form 5110.41 to show the discontinuance. Form 5110.41 shall be accompanied (a) by all permits issued to the proprietor under this subpart covering the discontinued operations, and by the proprietor's request that such permits be canceled; (b) by the proprietor's written statement disclosing, as applicable, whether (1) all spirits, denatured spirits, articles, wines, liquor bottles, and other pertinent items have been lawfully disposed of, (2) any spirits, denatured spirits, wines, or liquor bottles are in transit to the premises, (3) all approved applications for transfer of spirits and denatured spirits to the premises have been secured and returned to the appropriate TTB officer for cancellation; and (c) by pertinent reports covering the discontinued operations (each report shall be marked ``Final Report").

(Sec. 201, Pub. L. 85-859, 72 Stat. 1349, as amended, 1370, as amended (26 U.S.C. 5172, 5271))

[T.D. ATF-206, 50 FR 23951, June 7, 1985]

Sec. 19.250 Application of surety for relief from bond.

A surety on any operations, withdrawal, or unit bond may at any time in writing notify the principal and the appropriate TTB officer in whose office the bond is on file that he desires, after a date named, to be relieved of liability under said bond. Such date shall be not less than 10 days after the date the notice is received by the appropriate TTB officer in the case of a withdrawal bond, and not less than 90 days after the date the notice is received in the case of an operations or unit bond. The surety shall also file with the appropriate TTB officer an acknowledgment or other proof of service on the principal. If such notice is not thereafter in writing withdrawn, the rights of the principal as supported by said bond shall be terminated on the date named in the notice, and the surety shall be relieved from liability to the extent set forth in Sec. 19.251.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1353, as amended (26 U.S.C. 5175, 5176); sec. 805(c), Pub. L. 96-39, 93 Stat. 276 (26 U.S.C. 5173))

Sec. 19.533 Withdrawal of spirits without payment of tax for experimental or research use.

Any scientific university, college of learning, or institution of scientific research (which has qualified under the provisions of Sec. 19.71 to withdraw spirits from a bonded premises), desiring to withdraw a specific quantity of spirits for experimental or research use, shall file a letterhead application with the appropriate TTB officer of the region in which the applicant's premises are located.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1375, as amended (26 U.S.C. 5312))