

TTB Form 5110.28 Tutorial and Instructions

TTB Form 5110.28

Purpose

Form 5110.28 must be filed if your plant conducts processing (rectifying), bottling, packaging or denaturing operations. You are required to file this report each month.

If there is no activity during any months, you are required to file the report showing zeros.

Deadlines for Filing

This form is to be filed no later than the 15th of the month following the reporting period.

Forward the original to:

TTB National Revenue Center
550 Main Street, Room 8002
Cincinnati, Ohio 45202

SPECIAL NOTES REGARDING COMPLETION OF FORM 5110.28:

- ***Negative numbers may not be entered on this report. Part I and Part II of the report are designed to balance showing gains and losses of spirits as may be appropriate for each Part of the report, and each column.***
- ***A report on Form 5110.28 is required for all plants that process and bottle or package beverage or industrial alcohol.***
- ***See 27 CFR Part 5 and 27 CFR Part 19 requirements and definitions concerning the standards of identity and class or type of spirits products. The columns and lines on the report forms, especially Part IV of Form 5110.28, refer to these standards.***
- ***Receipts of imported alcohol for fuel use from US Customs custody must be reported on Line 3 of Part I of Form 5110.28. Such alcohol can only be used for denaturation (production of Completely Denatured Alcohol (CDA) – report such use on Line 11 – and the finished wine gallons of CDA produced will be shown on Line 2, column (b) of Form 5110.43.***

- **A report on Form 5110.28 is required for all plants that produce denatured spirits and manufactured articles. Part I of the Form 5110.28 summarizes your accounting for bulk pure spirits and the amounts used for denaturation. The Processing (Denaturing) report on Form 5110.43 summarizes your production of denatured products in wine gallons. Both reports are required for denaturing operations and manufacture of articles.**
- **See 27 CFR Part 20 and Part 21 concerning use of denatured alcohol to manufacture articles made from denatured alcohol. A distilled spirits plant may produce articles, however, the denatured spirits used to produce articles must first be reported as produced. See instructions for Form 5110.43.**
- **Before using blank Lines 21 to 23 in Part I or Lines 41-43 in Part II, consult with your TTB National Revenue Center specialist at 1-877-882-3277.**
- **Clearly enter the correct month and year the report covers in the upper right corner block of the report; if you are submitting an amended report, please clearly mark "Amended Report" in the top margin of the form. If you need to file an amended report, you must complete all lines on the amended operational report form. You must fill in each applicable line on the new, amended form even if you are not amending that particular line from the original report.**
- **Please refer to guidance in [TTB Industry Circular 2004-4](#)**
- **This form is in 4 parts, as follows:**

Part I – Bulk Ingredients: Part I summarizes your monthly activity in bulk wines and spirits received into the processing account and used in the manufacture of finished products, used for denaturation, bottled, exported, shipped in bond to other facilities, or removed on determination of tax.

Part II – Finished Products: Part II summarizes your monthly activity in bottled and packaged finished products.

Part III – Puerto Rican and Virgin Islands Spirits (Rum) and "Other" Imported Rum: Part III presents your total proof gallons of Puerto Rican, Virgin Islands and "Other" Imported Rum that was removed from your processing account tax determined during the report month.

Part IV – Processing of Beverage (Nonindustrial Use) Spirits: Part IV summarizes your monthly activity for various types of beverage spirits products received (“dumped”) into your Processing Account and bottled.

Notes for Completing PART I

- **Line 8 of columns (b) and (c) must be equal to Line 26. Please enter totals on all original and amended reports.**
- **Wines in column (b) and spirits in column (c) are reported in proof gallons**

Notes for Completing Part II

- **Line 31 of columns (b) and (c) must be equal to Line 47. Please enter totals on all original and amended reports.**
- **Inventory shortages of bottled or packaged finished goods reported on line 45 must be included on the excise tax return next due to be filed after the end of the reporting period.**
- **Line 32, column (b) for bottled goods -beverage bottled products may not be transferred in bond. PLEASE NOTE: industrial use spirits bottled under authority of 26 USC 5635 may be transferred in bond and may be reported on Line 32.**

Notes for Completing Part III

- **Line 48, columns (a), (b) and (c) must be completed for rum tax determined during the reported month.**

Notes for Completing Part IV

- **Line 67 of column (b) must be equal to Line 2(c) of Part I of the report.**
- **Line 67, columns (c), (d), (e) and (f), when totaled together must equal the amount shown for the reported month on Line 28, column (b) of Part II, excepting for fractions lost in rounding to whole proof gallons.**

Before You Begin

The following is a list of all the materials and related information you should collect before beginning Form 5110.28.

- EIN number
- Registry/Permit number
- Name and address of your bonded premise – exactly as it appears on your registration and permit.
- A copy of the completed Form 5110.28 you submitted for the previous month
- Documentation of inventories of spirits received for redistillation and for unfinished spirits held at the end of each calendar quarter.
- Documentation to provide sufficient support for adjustments
- Documentation to provide sufficient support for amounts reported in Part II through Part VI of the form.
- Copies of prior month's Form 5110.11, Form 5110.40, and Form 5110.43, as may be applicable to your operations.
- Documentation supportive of current month's transactions and summary records that support entries on the Form 5110.28 and other monthly reports.

Frequently Asked Questions TTB Form 5110.28

Instructions

The TTB Form 5110.28 in this tutorial has been enhanced to provide links to frequently asked questions about some of the more difficult areas of the form.

To display the FAQ for a relevant section, click the FAQ icon.

To access the form, click the Form link on the left or click [here](#).

FAQ	Answer
What is a proof gallon and how do I convert regular gallons to proof gallons?	<p>A proof gallon is one liquid gallon of spirits that is 50% alcohol at 60 degrees F. Distilled Spirits* bottled at 80 proof (40% alcohol) would be 0.8 proof gallons per gallon of liquid. At 125 proof, a gallon of liquid would be 1.25 proof gallons. In the industrial and fuel industries, most alcohol is at 190 or 200 degrees of proof. One gallon of alcohol that is 200 proof is equal to 2.0 proof gallons. Refer to 27 CFR Part 19 and 27 CFR Part 30 concerning procedures for determining proof, gauging spirits to determine quantity by weight or volume, or other procedures and regulations concerning measurement of alcohol.</p> <p>*(also known in beverage and industrial or fuel industries as alcohol or ethanol)</p>
Do I fill out my reports in proof gallons or regular gallons?	<p>Three of the required monthly operational reports submitted by a Distilled Spirits Plant (Forms 5110.40 – Production; 5110.11 – Storage; F 5110.28 – Processing) are completed using proof gallons. The fourth report – Form 5110.43 – Processing (Denaturing) – is completed in wine gallons (regular US liquid gallons).</p> <p>All denatured alcohol and articles manufactured from denatured alcohol are shown in records and reports in wine gallons. Line 11 of Form 5110.28, Used for Denaturation, is expressed in proof gallons. The corresponding line 2 of the Form 5110.43, Produced (denatured spirits) is expressed in wine gallons – it reflects the net quantity of wine gallons of spirits, plus added denaturing materials reflected in the finished denatured alcohol product.</p>

<p>I am approved for particular types of operations on my permit, how do I know what reports to file?</p>	<p>All plants must be qualified as a warehouseman or distiller, in addition to any processing operations. Your actual operations and the way that you move spirits between and within your production, storage and processing accounts determine how you report your activity.</p>
<p>What if I am not doing all the operations that were approved on my permit? Do I still need to file the reports that correspond to that type of operation?</p>	<p>Yes. You must file the reports even though you do not currently have any reportable activity. However, if your inactivity will be for an extended period of time, you may request a variance from regulations allowing you to defer filing until such time as you engage in reportable operations for one of the reports. For example, if you are qualified as a warehouseman and processor, and your style of operations does not currently involve storage of spirits in bulk (spirits are entered into processing account upon receipt at your plant) you may obtain approval from TTB to defer filing of storage reports until you begin storing spirits. Such approvals are granted on a case-by-case basis.</p>
<p>How do I determine whether I am engaged in storage operations requiring filing of the storage report?</p>	<p>Warehousing (storage) of spirits can be a subjective determination. However, here are a few instances requiring a storage report as guidelines:</p> <ul style="list-style-type: none"> - You produce whisky, brandy or rum and fill wooden barrels in your production account; you plan to age these products for a number of years. - You receive wooden barrels of whisky, brandy or rum and enter them into your storage account. - You receive bulk quantities of neutral spirits and hold the spirits in tanks pending a determination of the ultimate use of the spirits. - You receive large quantities of alcohol and await orders for further processing (beverage or denatured) before transferring the product into your processing account. <p>Generally, storage is when you hold bulk quantities of product without specific plans for further processing.</p>

What is a 5010 credit and how do I compute?	<p>Under 26 U.S.C. 5001 and 7652 a tax is imposed on all spirits produced in or imported into the United States at \$13.50 per proof gallon. Wines containing more than 24 percent of alcohol by volume are taxed as spirits. A credit against this tax is allowed under 26 U.S.C. 5010 on each proof gallon of alcohol derived from eligible wine or eligible alcohol-containing flavors which do not exceed 2.5 percent of the finished product on a proof gallon basis.</p> <p>Eligible wines are other than standard (OTS) wines that have not been subject to distillation at a distilled spirits plant and that contain no more than 0.392 g of carbon dioxide per 100 ml. Eligible flavors are those that have been approved by the Nonbeverage Products Laboratory. The producers or importers of distilled spirits are eligible for this credit if the distilled spirits contain an eligible wine and/or eligible flavor used in producing a batch of spirits produced in accordance with an approved formula.</p>
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**Sample Forms
TTB Form 5110.28**

Sample F 5100.28 forms shown below:

- Blank form;
- Helpful hints.

**DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
MONTHLY REPORT OF PROCESSING**

1. PLANT NUMBER

2. MONTH AND

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, 550 Main St, Ste 8002, Cincinnati, OH 45202-5215, 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			27. ON HAND FIRST OF		
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			31. TOTAL - LINES 27 THROUGH		
6. DUMPED FOR FURTHER PROCESSING			32. TRANSFERRED IN BOND		
7. GAINS			33. WITHDRAWN TAX		
8. TOTAL - LINES 1 THROUGH 7			34. WITHDRAWN FREE OF TAX: FOR U.S. HOSPITAL, SCIENTIFIC, OR EDUCATIONAL		
9. BOTTLED OR PACKAGED			35. WITHDRAWN WITHOUT PAYMENT OF TAX: FOR ADDITION TO WINE		
10. WINE MIXED WITH SPIRITS			36. FOR EXPORTATION, VESSELS, AND AIRCRAFT, AND TRANSFER TO C.B.W.		
11. USED FOR DENATURATION			37. TRANSFERRED TO PRODUCTION ACCOUNT FOR REDISTILLATION		
12. TRANSFERRED IN BOND			38. WITHDRAWN FOR RESEARCH, DEVELOPMENT,		
13. WITHDRAWN TAX DETERMINED			39. DESTROYED		
14. WITHDRAWN FREE OF TAX: FOR U.S., HOSPITAL, SCIENTIFIC, OR EDUCATIONAL USE			40. DUMPED FOR FURTHER PROCESSING		
15. WITHDRAWN WITHOUT PAYMENT OF TAX: FOR ADDITION TO WINE			41.		
16. FOR EXPORTATION & TRANSFER TO C.B.W.			42.		
17. TRANSFERRED TO PRODUCTION ACCOUNT FOR REDISTILLATION			43.		
18. WITHDRAWN FOR RESEARCH, DEVELOPMENT, OR TESTING (Including Gov. samples)			44. RECORDED LOSSES		
19. DESTROYED			45. INVENTORY SHORTAGES		
20. USED FOR REDISTILLATION			46. ON HAND END OF		
21.			47. TOTAL - LINES 32 THROUGH		
22.					
23.					
24. LOSSES					
25. ON HAND END OF MONTH					
26. TOTAL - LINES 9 THROUGH 25					

¹Bottled nonindustrial (beverage) use spirits may not be received or transferred in bond.

PART III - PUERTO RICAN AND VIRGIN ISLANDS SPIRITS (RUM) AND "OTHER" IMPORTED RUM¹

48. PROOF GALLONS REMOVED TAXPAID OR TAX DETER- MINED	(a) PUERTO RICAN SPIRITS	(b) VIRGIN ISLANDS SPIRITS	(c) "OTHER" IMPORTED RUM

PART IV – PROCESSING OF BEVERAGE (Nonindustrial use) SPIRITS

KIND (a)	BULK SPIRITS DUMPED INTO PROCESSING ² <i>(Whole proof gallons)</i> (b)	BOTTLED - IMPORTED ³ <i>(Whole proof gallons)</i> (c)	BOTTLED (Excluded bottled in bond and export) <i>(Whole wine gallons)</i> (d)	BOTTLED IN BOND ⁴ 27 CFR 5.42(b) (Exclude export) <i>(Whole wine)</i>	BOTTLED FOR EXPORT <i>(Whole wine gallons)</i>
49. ALCOHOL AND NEUTRAL SPIRITS (Other than vodka)					
50. BLENDED STRAIGHT WHISKEY ⁵					
51. BLENDED WHISKEY:					
a. With neutral spirits ⁶					
b. With light whiskey ⁷					
52. BLENDED LIGHT WHISKEY ⁸					
53. ANY OTHER BLENDS OF 100% WHISKEY					
54. IMPORTED WHISKEY:					
a. Scotch					
b. Canadian					
c. Irish and Others					
55. DOMESTIC WHISKEY DISTILLED AT 160° AND UNDER					
56. DOMESTIC WHISKEY DISTILLED AT OVER 160°					
57. BRANDY DISTILLED AT 170° AND UNDER					
58. BRANDY DISTILLED AT OVER 170°					
59. SPIRITS (Rum) ¹					
a. Puerto Rican					
1b. Virgin Islands					
60. RUM					
a. Domestic					
b. "Other" Imported					
61. GIN					
62. VODKA					
63. CORDIALS, LIQUEURS, AND SPECIALTIES ⁹					
64. COCKTAILS AND MIXED DRINKS					
65. TEQUILA					
66.					
67. TOTAL - LINES 49 THROUGH 66					

UNDER PENALTIES OF PERJURY, I DECLARE that I have examined this report and, to the best of my knowledge and belief, it is a true and complete report.

DATE	PROPRIETOR	BY (Signature and Title)
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¹Only products containing at least **92% RUM** should be recorded at line 48(a) and (b), and at lines 59 a and b.

²Do not include spirits that have been previously reported as dumped on dump/batch records and retained in processing (27 CFR 19.343).

³Include spirits from Puerto Rico and Virgin Islands. Imported spirits that are not allowed to be labeled as a product of a foreign country, Puerto Rican, or Virgin Islands spirits under 27 CFR Part 5 must be reported as domestic spirits.

⁴Bottled in bond spirits are those that conform to the standard prescribed by 27 CFR 5.42(b) and are labeled with the words "bond," "bottled in bond," "aged in bond," or similar phrases. Do not include imported spirits.

⁵Blends of straight whiskies, all of which are 2 years old or older; no neutral spirits; no light whiskey.

⁶Blended whiskey, containing at least 20% straight whiskey, and the balance, neutral spirits.

⁷Blended whiskey containing at least 20% straight whiskey, and the balance, light whiskey.

⁸Light whiskey blended with more than 2% but less than 20% straight whiskey; no neutral spirits.

⁹Includes flavored whiskies, gins, vodkas, brandies, etc.

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
MONTHLY REPORT OF PROCESSING

- Every proprietor engaged in processing operations must prepare this form each month in duplicate.
- 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.
- The copy is to be kept on file by the proprietor.
- LOCATION OF PLANT

1. PLANT NUMBER	2. MONTH AND YEAR
3. NAME OF PROPRIETOR	
5. Employer Identification Number (EIN)	

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)
1. ON HAND FIRST OF MONTH	Line 25 of Previous		27. ON HAND FIRST OF MONTH	Line 46 of Previous report	
2. RECEIVED (Other than line 3)		Line 17 *	28. BOTTLED OR PACKAGED	Line 9(c)	
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		
6. DUMPED FOR FURTHER PROCESSING		Line 40	32. TRANSFERRED IN BOND		
7. GAINS			33. WITHDRAWN TAX DETERMINED	Actual removal	Show on tax return
8. TOTAL - LINES 1 THROUGH 7			34. WITHDRAWN FREE OF TAX: FOR U.S. HOSPITAL, SCIENTIFIC, OR EDUCATIONAL USE		
9. BOTTLED OR PACKAGED		Line 28	35. WITHDRAWN WITHOUT PAYMENT OF TAX: FOR ADDITION TO WINE		
10. WINE MIXED WITH SPIRITS	Line 5 (c)		36. FOR EXPORTATION, VESSELS, AND AIRCRAFT, AND TRANSFER TO C.B.W.		
11. USED FOR DENATURATION		Must file F 5110.43	37. TRANSFERRED TO PRODUCTION ACCOUNT FOR REDISTILLATION		Line 15
12. TRANSFERRED IN BOND			38. WITHDRAWN FOR RESEARCH, DEVELOPMENT, OR TESTING (Including Gov. samples)		
13. WITHDRAWN TAX DETERMINED	If removed from processing	Show on tax return	39. DESTROYED		
14. WITHDRAWN FREE OF TAX: FOR U.S., HOSPITAL, SCIENTIFIC, OR EDUCATIONAL USE			40. DUMPED FOR FURTHER PROCESSING		Line 6
15. WITHDRAWN WITHOUT PAYMENT OF TAX: FOR ADDITION TO WINE			41.		
16. FOR EXPORTATION & TRANSFER TO C.B.W.			42.		
17. TRANSFERRED TO PRODUCTION ACCOUNT FOR REDISTILLATION		Line 15	43.		
18. WITHDRAWN FOR RESEARCH, DEVELOPMENT, OR TESTING (Including Gov. samples)			44. RECORDED LOSSES		
19. DESTROYED			45. INVENTORY SHORTAGES	Bottled shortage	must be taxpaid
20. USED FOR REDISTILLATION			46. ON HAND END OF MONTH	Line 27 on next	Processing report
21.			47. TOTAL - LINES 32 THROUGH 46		
22.					
23.					
24. LOSSES					
25. ON HAND END OF MONTH	Line 1 on next	Processing report			
26. TOTAL - LINES 9 THROUGH 25					

*Bottled nonindustrial (beverage) use spirits may not be received or transferred in bond.

PART III - PUERTO RICAN AND VIRGIN ISLANDS SPIRITS (RUM) AND "OTHER" IMPORTED RUM¹

48. PROOF GALLONS REMOVED TAXPAID OR TAX DETERMINED (27 CFR 19.778)	(a) PUERTO RICAN SPIRITS	(b) VIRGIN ISLANDS SPIRITS	(c) "OTHER" IMPORTED RUM

PART IV - PROCESSING OF BEVERAGE (Nonindustrial use) SPIRITS

KIND (a)	BULK SPIRITS DUMPED INTO PROCESSING ² (Whole proof gallons)	BOTTLED - IMPORTED ³ (Whole proof gallons) (c)	BOTTLED (Excluded bottled in bond and export) (Whole wine gallons) (d)	BOTTLED IN BOND 27 CFR 5.42(b) (Whole wine gallons) (e)	BOTTLED FOR EXPORT (Whole wine gallons) (f)
49. ALCOHOL AND NEUTRAL SPIRITS (Other than vodka)	Alcohol moved into processing account from the Storage Production or received transferred in Bond that is listed in Line 2 of this form. This column separates Line 2 into the separate types of alcohol. It can be listed in any of these blocks				
50. BLENDED STRAIGHT WHISKEY ⁵					
51. BLENDED WHISKEY:					
a. With neutral spirits ⁶					
b. With light					
52. BLENDED LIGHT WHISKEY ⁷					
53. ANY OTHER BLENDS OF 100% WHISKEY					
54. IMPORTED WHISKEY:					
a. Scotch					
b. Canadian					
c. Irish and Others					
55. DOMESTIC WHISKEY DISTILLED AT 160° AND UNDER					
56. DOMESTIC WHISKEY DISTILLED AT OVER 160°					
57. BRANDY DISTILLED AT 170° AND UNDER					
58. BRANDY DISTILLED AT OVER 170°					
59. SPIRITS (Rum) ¹ :					
a. Puerto Rican					
1b. Virgin Islands					
60. RUM:					
a. Domestic					
b. "Other" Imported					
61. GIN					
62. VODKA					
63. CORDIALS, LIQUEURS, AND SPECIALTIES ⁹					
64. COCKTAILS AND MIXED DRINKS					
65. TEQUILA					
66.					
67. TOTAL - LINES 49 THROUGH 66					

This information comes from the bottled and packaged product on Line 9 and Line 28 of this report

DATE	PROPRIETOR	BY (Signature and
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UNDER PENALTIES OF PERJURY, I DECLARE that I have examined this report and, to the best of my knowledge and belief, it is a true and complete report.

¹ Only products containing at least **92% RUM** should be recorded at line 48(a) and (b), and at lines 59 a and b.
² Do not include spirits that have been previously reported as dumped on dump/batch records and retained in processing (27 CFR 19.343).
³ Include spirits from Puerto Rico and Virgin Islands. Imported spirits that are not allowed to be labeled as a product of a foreign country, Puerto Rican, or Virgin Islands spirits under 27 CFR Part 5 must be reported as domestic spirits.
⁴ Bottled in bond spirits are those that conform to the standard prescribed by 27 CFR 5.42(b) and are labeled with the words "bond," "bottled in bond," "aged in bond," or similar phrases. Do not include imported spirits.
⁵ Blends of straight whiskies, all of which are 2 years old or older; no neutral spirits; no light whiskey.
⁶ Blended whiskey, containing at least 20% straight whiskey, and the balance, neutral spirits.
⁷ Blended whiskey containing at least 20% straight whiskey, and the balance, light whiskey.
⁸ Light whiskey blended with more than 2% but less than 20% straight whiskey; no neutral spirits.
⁹ Includes flavored whiskies, gins, vodkas, brandies, etc.

Detailed Instructions for F 5110.28:

Section	Line #	Line Item	Example
Part I	1	Enter the amount on hand at the beginning of the month. This must equal line 25 of the previous month report.	
Part I	2	Enter the quantity received (other than line 3). This should include amounts from line 9 of Form 5110.40, Production Report and Line 18 of Form 5110.11, Storage Report.	Enter the proof gallon total of spirits received. This is the total of: quantity transferred from your Production Account (Line 9) and Storage Account (Line 18)) at your plant, plus the quantity received in bond from other plants. For example, if you transferred 5,000 proof gallons of neutral 200 proof grain spirits from your storage tank into processing tanks this month, and you received 5,000 proof gallons of the same product in a tank truck from another plant into your processing tanks this month, the entry on Line 2, column (c) would be 10,000 proof gallons. Further, note that the total shown in Part IV, Line 67, column (b) must match this amount.
Part I	3	Enter the quantity of alcohol for fuel use received from customs custody.	Enter the proof gallon total of alcohol for fuel use (not denatured alcohol) received from Customs custody (imported) during the reported month. For example, you received a barge containing 3 million proof gallons of 200 proof spirits from a foreign supplier, intended for fuel use. The quantity entered here will be the proof gallon amount pumped into your tanks for use in producing denatured alcohol for fuel use. The further processing (denaturing) of these spirits will be reported on Line 11 as used for denaturation. The finished wine gallons of completely denatured alcohol for fuel use will be reported on Line 2, column (b) of your Form 5110.43 for the month. The finished total in the example is 1,530,000 wine gallons – 1,500,000 wine gallons of alcohol, plus 30,000 gallons of gasoline denaturant to produce CDA formula 20 (2 gallons gasoline for every 100 gallons of alcohol).
Part I	4	Enter the quantity of alcohol flavor, and materials dumped.	Enter the total proof gallons of alcohol contained in flavoring materials “dumped” into processing. For example, you are making a product that calls for 100 gallons of citrus flavor to be added to your batch being produced. The citrus flavor has 80% alcohol content; the 100 gallons contains 80 proof gallons of alcohol. Your total for the month on Line 4, column (c) will include that 80 proof gallons.
Part I	5	Enter the quantity of wine mixed with spirits.	Enter the total proof gallons of wine “dumped” for processing in batches of spirits products during the month. The amount shown on Line 5, column (c) will be the same as shown on Line 10, column (b) for the month. For example, you are making a product that calls for 100 gallons of wine to be added to your batch being produced. The wine has 14% alcohol content; the 100 gallons contains 14 proof gallons of alcohol. Your total for the month on Line 5, column (c) and on Line 10, column (b) will include that 14 proof gallons.
Part I	6	Enter the quantity dumped for	Enter the proof gallons of finished product “dumped”

Section	Line #	Line Item	Example
		further processing.	back into your process from finished products. The amount entered on Line 6, column (c) will match the total amount entered on Line 40 for the month. For example, you have several cases (20 proof gallons) of bottled product that you wish to dump back to your bulk tank to be reprocessed. The entry on Line 40, column (b) will be 20 proof gallons, and this amount will also be entered on Line 6, column (c).
Part I	7	Enter the quantity of gains for wines and spirits.	Show any gains in bulk spirits inventory for your processing account for the month.
Part I	8	Enter the total of lines 1-7.	This line must equal line 26 both for column (b) and for column (c).
Part I	9	Enter the quantity bottled or packaged.	This must equal column (b) plus column (c) from line 28 in Part II.
Part I	10	Enter the quantity of wines mixed with spirits.	Enter the total proof gallons of wine "dumped" for processing in batches of spirits products during the month. The amount shown on Line 10, column (b) will be the same as shown on Line 5, column (c) for the month. For example, you are making a product that calls for 100 gallons of wine to be added to your batch being produced. The wine has 14% alcohol content; the 100 gallons contains 14 proof gallons of alcohol. Your total for the month on Line 10, column (b) and on Line 5, column (c) will include that 14 proof gallons.
Part I	11	Enter the quantity used for denaturation.	Enter the proof gallon total of alcohol used for producing denatured alcohol products. For example, you used 10,000 proof gallons of 200 proof spirits blended with methanol to produce a batch of denatured alcohol formula 3A (see 27 CFR Parts 20 and 21). The quantity entered here will be the proof gallon amount (10,000 proof gallons) pumped into your tanks for use in producing the denatured alcohol. The finished wine gallons of specially denatured alcohol (finished total in this example is 10,500 wine gallons of SDA formula 3A, which calls for 5 gallons of methanol per each 100 gallons of alcohol) will be reported on Line 2, column (b) of your Form 5110.43 for the month.
Part I	12	Enter the quantity transferred in Bond.	Enter the total proof gallons of bulk spirits transferred from your plant to another bonded distilled spirits plant on Line 12 under column (c). For example, you shipped a tank truck of 190 proof alcohol totaling 12,000 proof gallons to another bonded distilled spirits plant as authorized by TTB on an approved Form 5100.16; that amount would be reported here.
Part I	13	Enter the amount of bulk spirits withdrawn tax determined	If you withdraw spirits from your bulk processing account tax determined, show the appropriate amounts on Line 13, column (c). Any bulk spirits tax determined and removed from your processing account during the month would be recorded here. Normally, such removals from bulk processing would be tank loads shipped to manufacturers of non-beverage products. Drums that you fill and bottled

Section	Line #	Line Item	Example
			spirits removed tax determined would be in the finished goods processing account (Part II on Form 5110.28). The amount of tax shown on your Forms 5000.24 – Excise Tax Return – for the two semi-monthly periods corresponding to the month being reported must include the appropriate amount of tax on products reported as removed tax determined on Lines 13 and 33 of Form 5110.28, and must also include amounts shown on Line 1 of Form 5110.40 and on Line 7 of Form 5110.11.
Part I	14	Enter the amount withdrawn, free of tax. This includes for US, hospital, or scientific or education use.	Any bulk spirits removed from your storage account during the month and shipped to Industrial Alcohol Permit holders for tax free use would be recorded here. Normally, such removals from bulk processing would be tank loads. The only bulk packages removed from your bulk processing account would be containers filled at another plant and received in bond at your plant for re-sale. Bottles and packages that you fill and withdraw free of tax are reported in Part II, on Line 34.
Part I	15	Enter the amount withdrawn without payment of tax: for addition to wine.	Any bulk spirits removed from your bulk processing account during the month and used for wine spirits additions at a bonded wine cellar would be recorded here, and on TTB Form 5120.17 filed by the bonded winery.
Part I	16	Enter the amount for exportation and transfer to C.B.W.	Any bulk spirits removed from your processing account during the month and shipped without payment of tax for export would be recorded here. You must file a notice on Form 5100.11 and otherwise comply with the rules in 27 CFR Part 28 for exports of spirits. See also Industry Circular 2004-3 and related FAQ for important information on exports and an optional procedure for filing monthly consolidated reports via e-mail for your exports.
Part I	17	Enter the amount transferred to production account for redistillation.	Enter the proof gallon total for any bulk spirits in processing that have been transferred to your production account for re-distillation. For example, you have 1,000 proof gallon batch of 80 proof vodka bulk spirits that does not meet specifications for bottling; you decide to pump this product into your production tanks to re-distill the product into neutral spirits, recovering the alcohol from the rejected batch. Enter 1,000 proof gallons on Line 17, and include this 1,000 proof gallons on Line 15, column (h) of Form 5110.40.
Part I	18	Enter the amount withdrawn for research development or testing. This includes government samples.	Enter the amount of spirits removed from bulk processing tanks as samples. This includes quality control testing, product development research samples, and government control samples taken by TTB, Customs, or other agencies.
Part I	19	Enter the quantity destroyed.	Enter the total proof gallons of bulk spirits in your processing account destroyed in bond – see 27 CFR Part 19, Subpart U. Please note procedures and bond requirements in Section 19.691
Part I	20	Enter the quantity used for redistillation.	Normally, re-distillation is done in your production account.

Section	Line #	Line Item	Example
Part I	21	Leave this field blank. Used for imported rums.	
Part I	22	Leave this field blank. Used for imported rums.	
Part I	23	Leave this field blank. Used for imported rums.	
Part I	24	Enter the amount of losses.	Enter the total of recorded losses in your bulk processing account for the month
Part I	25	Enter the amount of spirits on hand at the end of the month. Refer to 19.421.	This amount will be entered on Line 1 of next month's Form 5110.28.
Part I	26	Enter the total of lines 9-25. This must equal line 8.	This line must equal line 8 both for column (b) and for column (c).
Part II	27	Enter the amount on hand at the beginning of the month. This must equal line 46 of the previous month.	
Part II	28	Enter the quantity bottled or packaged. This should be the same as line 9 of Part I.	This must equal Line 9, column (c) in Part I.
Part II	29	Enter the amount received	<u>Beverage</u> bottled products may not be transferred in bond to another plant. PLEASE NOTE: industrial use spirits bottled under authority of 26 USC 5635 may be transferred in bond and may be reported as received on Line 29 in column (b). Packaged (drums, cans, etc. of 1 gallon or more) spirits may be transferred, and may be reported as received on Line 29, column (c).
Part II	30	Enter the amount of inventory overages.	If you determine an inventory overage for bottled or packaged goods, enter that amount here. Shortages are entered on Line 45.
Part II	31	Enter the total of lines 27-30.	This line must equal line 47 both for column (b) and for column (c).
Part II	32	Enter the quantity Transferred in Bond	<u>Beverage</u> bottled products may not be transferred in bond to another plant. PLEASE NOTE: industrial use spirits bottled under authority of 26 USC 5635 may be transferred in bond and may be reported on Line 32 in column (b). Packaged (drums, cans, etc. of 1 gallon or more) spirits may be transferred, and are reported on Line 32, column (C).
Part II	33	Enter the amount withdrawn tax determined.	If you withdraw spirits from your finished goods (bottled or packaged) processing account tax determined, show the appropriate amounts on Line 33, columns (b) and (c). The amount of tax shown on your Forms 5000.24 – Excise Tax Return – for the two semi-monthly periods corresponding to the month being reported must include the appropriate amount of tax on products reported as removed tax determined on Lines 13 and 33 of Form 5110.28, and must also include amounts shown on Line 1 of Form 5110.40 and on Line 7 of Form 5110.11.
Part II	34	Enter the amount withdrawn, free of tax. This includes for	Any spirits removed from your finished goods (bottled or packaged) processing account during the month

Section	Line #	Line Item	Example
		US, hospital, or scientific or education use.	and shipped to Industrial Alcohol Permit holders for tax free use are reported on Line 34.
Part II	35	Enter the amount withdrawn without payment of tax: for addition to wine.	Any bottled or packaged spirits removed from your processing account during the month and used for wine spirits additions at a bonded wine cellar would be recorded here, and on TTB Form 5120.17 filed by the bonded winery.
Part II	36	Enter the amount for exportation, vessels and aircraft, and transfer to C.B.W.	Any bottled or packaged spirits removed from your processing account during the month and shipped without payment of tax for export would be recorded here. You must file a notice on Form 5100.11 and otherwise comply with the rules in 27 CFR Part 28 for exports of spirits. See also Industry Circular 2004-3 and related FAQ for important information on exports and an optional procedure for filing monthly consolidated reports via e-mail for your exports.
Part II	37	Enter the amount transferred to production account for redistillation.	Enter the proof gallon total for any bottled or packaged spirits in processing that have been dumped and transferred to your production account for re-distillation. For example, you have 1,000 proof gallon of bottled 80 proof vodka that does not meet specifications. You decide to dump this product pump this product into your production tanks to re-distill the product into neutral spirits, recovering the alcohol from the rejected batch. Enter 1,000 proof gallons on Line 17, and include this 1,000 proof gallons on Line 15, column (h) of Form 5110.40.
Part II	38	Enter the amount withdrawn for research development or testing. This includes government samples.	Enter the amount of spirits removed from bulk processing tanks as samples. This includes quality control testing, product development research samples, and government control samples taken by TTB, Customs, or other agencies.
Part II	39	Enter the quantity destroyed.	Enter the total proof gallons of bottled or packaged spirits destroyed in bond – see 27 CFR Part 19, Subpart U. Please note procedures and bond requirements in Section 19.691
Part II	40	Enter the quantity dumped for further processing.	Enter the proof gallons of spirits products dumped back into bulk for further processing. Enter also on Line 6 in Part I of this report)
Part II	41	Leave this field blank.	
Part II	42	Leave this field blank.	
Part II	43	Leave this field blank.	
Part II	44	Enter the amount of recorded losses.	Enter the total of recorded losses in your bulk processing account for the month
Part II	45	Enter the inventory shortages.	If you determine an inventory shortage for bottled or packaged goods, enter that amount here. Overages are entered on Line 30. Any inventory shortages of finished goods are considered taxable – include tax on shortages of finished goods on your next Excise Tax Return in Schedule A.
Part II	46	Enter the amount on hand at the end of the month. This must equal line 27 of the next	

Section	Line #	Line Item	Example
		month's report.	
Part II	47	Enter the total of lines 32-46.	This line must equal line 31 both for column (b) and for column (c).
Part III	48	Proof Gallons of Rum Removed Taxpaid or Tax determined (27 CFR 19.778) – (a) Puerto Rican Spirits;(b) Virgin Island Spirits; and (c) “Other” Imported Rum	If your plant makes taxpaid or tax determined removals of imported rum, you are required to maintain separate accounts of such rum (see 27 CFR 19.778) and report those removals on Line 48, in items 48 (a), (b) or (c). ONLY products containing at least 92% rum shall be reported in 48(a) and 48(b). Any amount shown on Line 48 would also be included on Line 33 of Part II of this report.
Part IV	49	Alcohol and Neutral Spirits (other than vodka)	Enter the proof gallons of bulk alcohol or neutral spirits “dumped” into processing on Line 49, column (b). Enter the proof gallons of imported spirits bottled on Line 49, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 49, column (d). Enter the whole wine gallons bottled in bond (see 27 CFR 5.42(b)) on Line 49, column (e). Enter the whole wine gallons bottled for export on Line 49, column (f).
Part IV	50	Blended Straight Whisky (blends of straight whiskies, all of which are 2 years old or older; no neutral spirits; no light whisky)	Enter the proof gallons of blended straight whisky “dumped” into processing on Line 50, column (b). Enter the whole wine gallons bottled (excluding export) on Line 50, column (d). Enter the whole wine gallons bottled for export on Line 50, column (f). Make no entries on Line 50, columns (c) and (e).
Part IV	51a	Blended Whisky – With Neutral Spirits (blended whisky, containing at least 20% straight whisky and the balance, neutral spirits)	Enter the proof gallons of blended whisky (with neutral spirits) “dumped” into processing on Line 51a, column (b). Enter the whole wine gallons bottled (excluding export) on Line 51a, column (d). Enter the whole wine gallons bottled for export on Line 51a, column (f). Make no entries on Line 51a, columns (c) and (e).
Part IV	51b	Blended Whisky – With Light Whisky (blended whisky, containing at least 20% straight whisky and the balance, light whisky)	Enter the proof gallons of blended whisky (with light whisky) “dumped” into processing on Line 51b, column (b). Enter the whole wine gallons bottled (excluding export) on Line 51b, column (d). Enter the whole wine gallons bottled for export on Line 51b, column (f). Make no entries on Line 51b, columns (c) and (e).
Part IV	52	Blended Light Whisky – With Light Whisky (blended with more than 2 ½% but less than 20% straight whisky; no neutral spirits)	Enter the proof gallons of light whisky “dumped” into processing on Line 52, column (b). Enter the whole wine gallons bottled (excluding export) on Line 52, column (d). Enter the whole wine gallons bottled for export on Line 52, column (f). Make no entries on Line 52, columns (c) and (e).
Part IV	53	Any other blends of 100% whisky	Enter the proof gallons of other blends of 100% whisky “dumped” into processing on Line 53, column (b). Enter the whole wine gallons bottled (excluding export) on Line 53, column (d). Enter the whole wine gallons bottled for export on Line 53, column (f). Make no entries on Line 53, columns (c) and (e).
Part IV	54a	Imported whisky (Scotch)	Enter the proof gallons of bulk imported Scotch whisky “dumped” into processing on Line 54a, column (b). Enter the proof gallons of Scotch whisky bottled on Line 54a, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line

Section	Line #	Line Item	Example
			54a, column (d). Enter the whole wine gallons bottled for export on Line 54a, column (f). Make no entries on Line 54a, column (e).
Part IV	54b	Imported whisky (Canadian)	Enter the proof gallons of bulk imported Canadian whisky “dumped” into processing on Line 54b, column (b). Enter the proof gallons of Canadian whisky bottled on Line 54b, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 54b, column (d). Enter the whole wine gallons bottled for export on Line 54b, column (f). Make no entries on Line 54b, column (e).
Part IV	54c	Imported whisky (Irish and Others)	Enter the proof gallons of bulk Irish or other imported whisky “dumped” into processing on Line 54c, column (b). Enter the proof gallons of Irish or other imported whisky bottled on Line 54c, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 54c, column (d). Enter the whole wine gallons bottled for export on Line 54c, column (f). Make no entries on Line 54c, column (e).
Part IV	55	Domestic whisky distilled at 160 proof or under	Enter the proof gallons of domestic whisky distilled at under 160 proof “dumped” into processing on Line 55, column (b). Enter the whole wine gallons bottled (excluding export) on Line 55, column (d). Enter the whole wine gallons bottled for export on Line 55, column (f). Make no entries on Line 55, columns (c) and (e).
Part IV	56	Domestic whisky distilled at over 160 proof	Enter the proof gallons of domestic whisky distilled at over 160 proof “dumped” into processing on Line 56, column (b). Enter the whole wine gallons bottled (excluding export) on Line 56, column (d). Enter the whole wine gallons bottled for export on Line 56, column (f). Make no entries on Line 56, columns (c) and (e).
Part IV	57	Brandy distilled at 170 proof or under	Enter the proof gallons of brandy distilled at or under 170 proof “dumped” into processing on Line 57, column (b). Enter the proof gallons of brandy distilled at or under 170 proof bottled on Line 57, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 57, column (d). Enter the whole wine gallons bottled in bond (see 27 CFR 5.42(b)) on Line 57, column (e). Enter the whole wine gallons bottled for export on Line 57, column (f).
Part IV	58	Brandy distilled at over 170 proof	Enter the proof gallons of brandy distilled at over 170 proof “dumped” into processing on Line 58, column (b). Enter the proof gallons of brandy distilled at over 170 proof bottled on Line 58, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 58, column (d). Enter the whole wine gallons bottled in bond (see 27 CFR 5.42(b)) on Line 58, column (e). Enter the whole wine gallons bottled for export on Line 58, column (f).
Part IV	59a	Puerto Rican Spirits (Rum) – containing at least 92 % rum	Enter the proof gallons of Puerto Rican spirits containing at least 92% rum “dumped” into processing on Line 59a, column (b). Enter the proof gallons of Puerto Rican spirits containing at least 92% rum bottled on Line 59a, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 59a, column (d). Enter the whole wine

Section	Line #	Line Item	Example
			gallons bottled for export on Line 59a, column (f). Make no entries on Line 59a, column (e).
Part IV	59b	Virgin Islands Spirits (Rum) – containing at least 92 % rum	Enter the proof gallons of Virgin Islands spirits containing at least 92% rum “dumped” into processing on Line 59b, column (b). Enter the proof gallons of Virgin Islands spirits containing at least 92% rum bottled on Line 59b, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 59b, column (d). Enter the whole wine gallons bottled for export on Line 59b, column (f). Make no entries on Line 59b, column (e).
Part IV	60a	Domestic (US) Rum	Enter the proof gallons of United States rum “dumped” into processing on Line 60a, column (b). Enter the whole wine gallons bottled (excluding export) on Line 60a, column (d). Enter the whole wine gallons bottled in bond (see 27 CFR 5.42(b)) on Line 60a, column (e). Enter the whole wine gallons bottled for export on Line 60a, column (f). Make no entries on Line 60a, column (c).
Part IV	60b	Other Imported Rum (NOT from Puerto Rico or US Virgin Islands)	Enter the proof gallons of “other” (NOT PR or VI) rum “dumped” into processing on Line 60b, column (b). Enter the proof gallons of “other” (NOT PR or VI) rum bottled on Line 59b, column (c). Enter the whole wine gallons bottled (excluding export) on Line 60b, column (d). Enter the whole wine gallons bottled for export on Line 60b, column (f). Make no entries on Line 60b, column (e).
Part IV	61	Gin	Enter the proof gallons of gin “dumped” into processing on Line 61, column (b). Enter the proof gallons of gin bottled on Line 61, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 61, column (d). Enter the whole wine gallons bottled in bond (see 27 CFR 5.42(b)) on Line 61, column (e). Enter the whole wine gallons bottled for export on Line 61, column (f).
Part IV	62	Vodka	Enter the proof gallons of gin “dumped” into processing on Line 62, column (b). Enter the proof gallons of gin bottled on Line 62, column (c). Enter the whole wine gallons bottled (excluding bottled in bond or export) on Line 62, column (d). Enter the whole wine gallons bottled in bond (see 27 CFR 5.42(b)) on Line 62, column (e). Enter the whole wine gallons bottled for export on Line 62, column (f).
Part IV	63	Cordials, Liqueurs and Specialties (Includes flavored whiskies, gins, vodkas, brandies, etc.)	Enter the proof gallons of cordials, liqueurs or specialties “dumped” into processing on Line 63, column (b). Enter the proof gallons of cordials, liqueurs or specialties bottled on Line 63, column (c). Enter the whole wine gallons bottled (excluding export) on Line 63, column (d). Enter the whole wine gallons bottled for export on Line 63, column (f). Make no entries on Line 63, column (e).
Part IV	64	Cocktails and mixed drinks	Enter the proof gallons of cocktails and mixed drinks “dumped” into processing on Line 64, column (b). Enter the proof gallons of cocktails and mixed drinks bottled on Line 64, column (c). Enter the whole wine gallons bottled (excluding export) on Line 64, column (d). Enter the whole wine gallons bottled for export on Line 64, column (f). Make no entries on Line 64,

Section	Line #	Line Item	Example
			column (e).
Part IV	65	Tequila	Enter the proof gallons of cocktails and mixed drinks “dumped” into processing on Line 65, column (b). Enter the proof gallons of cocktails and mixed drinks bottled on Line 65, column (c). Enter the whole wine gallons bottled (excluding export) on Line 65, column (d). Enter the whole wine gallons bottled for export on Line 65, column (f). Make no entries on Line 65, column (e).
Part IV	66	Blank	
Part IV	67	Total – Lines 49 through 66	Enter the totals of entries in columns (b) through (f). The total reported on Line 67, column (b) must match the total entered on Line 2, column (c) of Part I of Form 5110.28.

- **How to avoid problems with monthly reports**

1. TTB monthly reports must be completed and submitted to [TTB's National Revenue Center \(NRC\)](#) by no later than the 15th day of the month following the reporting period, even if there is no activity during the month.
2. Retain copies of these reports for at least 3 years from the date of the report.
3. When completing the forms:
 - o Be careful that all the information is entered on the right lines of the form.
 - o Review the reports before sending them. Carefully add the numbers to insure they are correct, check for accurate inventory flow (beginning inventory plus additions minus withdrawals equal ending inventory) and check for clerical errors related to missing and/ or incorrectly recorded information.
4. A good way to avoid problems with the reports is by using [Pay.gov](#). It does many of the calculations and totals on the forms. For more information see [Pay.gov User Guides](#)
5. For questions or concerns, please call TTB's National Revenue Center at 1-877-TTB-FAQS (1-877-882-3277) toll free; email ttbinternetquestions@ttb.treas.gov.

Tools
TTB Form 5110.28

Instructions

Several tools have been created for this form to help alleviate some common problems in completing the form, such as calculation errors. They include:

- **Line 8 Calculator:**

F5110.28 Monthly Report of Processing Operations
Calculator for Line 8

Enter in the decimal amounts you entered on Form 5110.28 for each line in the available space below.

Line 1	<input style="width: 95%; height: 20px;" type="text"/>
Line 2	<input style="width: 95%; height: 20px;" type="text"/>
Line 3	<input style="width: 95%; height: 20px;" type="text"/>
Line 4	<input style="width: 95%; height: 20px;" type="text"/>
Line 5	<input style="width: 95%; height: 20px;" type="text"/>
Line 6	<input style="width: 95%; height: 20px;" type="text"/>
Line 7	<input style="width: 95%; height: 20px;" type="text"/>

 Total for lines 1 - 7:

 Enter this amount in Line 8.

Line 26 Calculator:

**F5110.28 Monthly Report of Processing Operations
Calculator for Line 26**

Enter in the decimal amounts you entered on Form 5110.28 for each line in the available space below.

Line 9	<input type="text"/>
Line 10	<input type="text"/>
Line 11	<input type="text"/>
Line 12	<input type="text"/>
Line 13	<input type="text"/>
Line 14	<input type="text"/>
Line 15	<input type="text"/>
Line 16	<input type="text"/>
Line 17	<input type="text"/>
Line 18	<input type="text"/>
Line 19	<input type="text"/>
Line 20	<input type="text"/>
Line 21	<input type="text"/>
Line 12	<input type="text"/>
Line 23	<input type="text"/>
Line 24	<input type="text"/>
Line 25	<input type="text"/>

Calculate Total

Reset

Total for lines 9 - 25:

Enter this amount in Line 26.

- **Line 31 Calculator:**

F5110.28 Monthly Report of Processing Operations	
Calculator for Line 31	
Enter in the decimal amounts you entered on Form 5110.28 for each line in the available space below.	
Line 27	<input type="text"/>
Line 28	<input type="text"/>
Line 29	<input type="text"/>
Line 30	<input type="text"/>
Calculate Total	
Reset	
Total for lines 27 - 30:	<input type="text"/>
Enter this amount in Line 31.	

- **Line 47 Calculator:**

F5110.28 Monthly Report of Processing Operations	
Calculator for Line 47	
Enter in the decimal amounts you entered on Form 5110.28 for each line in the available space below.	
Line 32	<input type="text"/>
Line 33	<input type="text"/>
Line 34	<input type="text"/>
Line 35	<input type="text"/>
Line 36	<input type="text"/>
Line 37	<input type="text"/>
Line 38	<input type="text"/>
Line 39	<input type="text"/>
Line 40	<input type="text"/>
Line 41	<input type="text"/>
Line 42	<input type="text"/>
Line 43	<input type="text"/>
Line 44	<input type="text"/>
Line 45	<input type="text"/>
Line 46	<input type="text"/>

Calculate Total

Reset

Total for lines 32 - 46:

Enter this amount in Line 47.

- **Line 67 Calculator:**

**F5110.28 Monthly Report of Processing Operations
Calculator for Line 67**

Enter in the decimal amounts you entered on Form 5110.28 for each line in the available space below.

Line 49

Line 50

Line 51

Line 52

Line 53

Line 54

Line 55

Line 56

Line 57

Line 58

Line 59

Line 60

Line 61

Line 62

Line 63

Line 64

Line 65

Line 66

Calculate Total

Reset

Total for lines 49 - 66:

Enter this amount in Line 67.

Glossary of Terms

Click the letter below to jump to the coordinating location in the glossary, or use the scrollbar on the right to scroll through the list of terms.

[A](#) [B](#) [C](#) [D](#) [E](#) [F](#) [G](#) [H](#) [I](#) [J](#) [K](#) [L](#) [M](#) [N](#) [O](#) [P](#) [Q](#) [R](#) [S](#) [T](#) [U](#) [V](#) [W](#) [X](#) [Y](#) [Z](#)

A

Abatement

Relief from a liability that has been assessed.

Added brandy

Brandy or wine spirits for use in fortification of wine as permitted by internal revenue law.

Adjacent

Adjoining.

Age

Distilled Spirits: The period during which, after distillation and before bottling, distilled spirits have been stored in oak containers. "Age" for bourbon whisky, rye whisky, wheat whisky, malt whisky, or rye malt whisky, and straight whiskies other than straight corn whisky, means the period the whisky has been stored in charred new oak containers.

Agricultural wine

Wine made from suitable agricultural products other than the juice of grapes, berries, or other fruits.

Alcohol for fuel

1. Fuel alcohol.
2. Distilled spirits that have been rendered unfit for beverage use at an alcohol fuel plant.

Alcoholic beverage

This includes any beverage in liquid form which contains not less than one-half of one percent (0.5%) alcohol by volume and is intended for human consumption.

Alcoholic flavoring materials

Distilled Spirits: Any nonbeverage product on which drawback has been or will be claimed under 26 U.S.C. 5131-5134 or flavors imported free of tax which are unfit for beverage purposes. The term includes eligible flavors but does not include flavorings or flavoring extracts manufactured on the bonded premises of a distilled spirits plant (DSP) as an intermediate product.

Alternation of premises

Multiple operations alternating the equipment and premises operated by the same person (i.e., Bonded Wine Premises/DSP/Brewery /Taxpaid Wine Bottling House).

Alternation of proprietors

Multiple persons alternating the use of/sharing bonded premises and equipment.

Amelioration

The addition to juice or natural wine before, during, or after fermentation of either water or pure dry sugar, or a combination of water and sugar, to adjust the acid level.

"Appropriate TTB officer"

An officer or employee of the Alcohol and Tobacco Tax and Trade Bureau (TTB) authorized to perform any functions relating to the administration or enforcement of parts by TTB Orders, Delegation of the Administrator's Authorities in Title 27 of the Code of Federal Regulations (CFR).

Articles

A product, containing denatured spirits, which was manufactured under 27 CFR part 20 or part 19.

Artificially Carbonated Wine

Effervescent wine artificially charged with carbon dioxide and containing more than 0.392 grams of carbon dioxide per 100 milliliters.

Assessment

An action that establishes a tax liability.

B

Balling

The percent by weight of dissolved solids at 60° F present in wort and beer, usually determined by a balling saccharometer.

Banking day

Any day during which a bank is open to the public for carrying on substantially all of its banking functions.

Barrel

1. For Beer only: When used as a unit of measure, the quantity equal to 31 U.S. gallons.
2. When used as a container, a consumer package or keg containing a quantity of beer listed in Sec. 25.156, or other size authorized by the appropriate TTB officer.

Basic permit

A document issued under the Federal Alcohol Administration Act authorizing a person to engage in activities at a particular location.

Beer

Beer, ale, porter, stout, and other similar fermented beverages (including saké and similar products) of any name or description containing one-half of one percent (0.5%) or more of alcohol by volume, brewed or produced from malt, wholly or in part, or from any substitute for malt.

Blend

For wine: the mixing together of wines of two or more tax classes.

Blended whisky

Blended whisky is a mixture which contains straight whisky or a blend of straight whiskies at not less than 20 percent on a proof gallon basis, excluding alcohol derived from added harmless coloring, flavoring or blending materials, and, separately, or in combination, whisky or neutral spirits.

Blended wine

1. In bond: wines of different tax classes mixed together; a reportable activity on the operational report.
2. Taxpaid: wines of the same tax class, but different national origins, mixed together as specified in 27 CFR 24.296.

Bond

An insurance agreement pledging surety for financial loss.

Bonded premises

An area or dwelling confined to the stipulations of the bond.

1. For Wine: Premises established under the provisions of 27 CFR Part 24 on which operations in untaxpaid wine are authorized to be conducted.
2. For Distilled Spirits: The premises of a distilled spirits plant, or part thereof, as described in the application for registration, on which distilled spirits operations defined in 26 U.S.C. 5002 are authorized to be conducted.
3. For Beer: The premises of a brewery as described in the Brewer's Notice on which operations defined in 26 U.S.C. 5411 are authorized to be conducted

Bonded winery (BW)

Premises established under the provisions of 27 CFR 24.107 on which wine production operations are conducted and other authorized operations may be conducted.

Bonded Wine Cellar (BWC)

Premises established under the provisions of Part 24, other than for the production of wine.

Bonded Wine Premises

Premises established under the provisions of Part 24 on which untaxpaid wine operations are authorized to be conducted.

Bottle

1. For Wine: A container four liters or less in capacity, regardless of the material from which it is made, used to store wine or to remove wine from the wine premises.
2. For Distilled Spirits: Any container, irrespective of the material from which it is made, used for the sale of distilled spirits at retail.
3. For Beer: A bottle, can, or similar container.

Bottler

1. For Wine: A proprietor of wine premises, established under the provisions of part 24, who fills wine into a container of 4 liters or less.
2. For Distilled Spirits: A proprietor of a distilled spirits plant qualified under Part 19 as a processor who bottles distilled spirits.
3. For Beer: Any person who places malt beverages in containers of a capacity of one gallon or less.

Brand label

1. For Wine: The label carrying, in the usual distinctive design, the brand name of the wine.
2. For Distilled Spirits: The principal display panel that is most likely to be displayed, presented, shown, or examined under normal and customary conditions of display for retail sale, and any other label appearing on the same side of the bottle as the principal display panel. The principal display panel appearing on a cylindrical surface is that 40 percent of the circumference which is most likely to be displayed, presented, shown, or examined under normal and customary conditions of display for retail sale.
3. For Beer: The label carrying, in the usual distinctive design, the brand name of the malt beverage.

Brandy

An alcoholic distillate from the fermented juice, mash, or wine of fruit, or from their residue, produced at less than 190° proof in such manner that the distillate possesses the taste, aroma, and characteristics generally attributed to the product. It is bottled at not less than 80° proof.

Brewer

Any person who brews beer (except a person who produces only beer exempt from tax under 26 U.S.C. 5053(e)) and any person who produces beer for sale.

Brewery

The land and buildings described in the Brewer's Notice, Form 5130.10, where beer is to be produced and packaged.

Brix

The quantity of dissolved solids is expressed as grams of sucrose in 100 grams of solution at 60° F (20° C) (percent by weight of sugar). The measurement is expressed in degrees.

Brix Adjustment

See Chaptalization.

Bulk

Quantities over:

1. 60 liters (Wine)
2. One standard gallon (Distilled Spirits)
3. 31 gallons (Beer)

Business day (Breweries)

The 24-hour cycle of operations in effect at the brewery and described on the Brewer's Notice, Form 5130.10.

Business Day (Wineries and Distilleries)

Any day, other than Saturday, Sunday, or a legal holiday. (The term "legal holiday" includes all holidays in the District of Columbia and statewide holidays in a particular State in which a claim, report, or return, as the case may be, is required to be filed, or the act is required to be performed.)

BW

See Bonded Winery.

BWC

See Bonded Wine Cellar.

C**Calendar quarter**

A three-month period during the year as follows: January 1 through March 31; April 1 through June 30; July 1 through September 30; and October 1 through December 31.

Carbonated

When used with wine, artificially carbonated wine.

Carrier

Any person, company, corporation, or organization, including a proprietor, owner, consignor, consignee, or bailee, who transports distilled spirits, denatured spirits,

or wine in any manner for himself or for others.

Case

For wine: Two or more bottles, or one or more containers larger than four liters, enclosed in a box or fastened together by some other method.

CBW

See Customs Bonded Warehouse.

CDA

Completely denatured alcohol.

Cereal beverage

A beverage, produced either wholly or in part from malt (or a substitute for malt), and either fermented or unfermented, which contains, when ready for consumption, less than one-half of one percent (0.5%) of alcohol by volume.

CFR

Code of Federal Regulations.

Champagne

Semi-generic term for a type of sparkling wine.

Chaptalization (Brix Adjustment)

The addition of sugar or concentrated juice of the same kind of fruit to juice before or during fermentation of wine, to develop alcohol by fermentation.

Chewing tobacco

Any leaf tobacco that is not intended to be smoked.

Cigar

Any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco (other than any roll of tobacco which is a cigarette within the meaning of paragraph (2) of the definition for cigarette). See below.

Cigarette

(1) Any roll of tobacco wrapped in paper or in any substance not containing tobacco, and

(2) Any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in paragraph (1) of this definition.

Cigarette paper

Paper, or any other material except tobacco, prepared for use as a cigarette wrapper.

Cigarette tube

Cigarette paper made into a hollow cylinder for use in making cigarettes.

CMBW

Customs Manufacturing Bonded Warehouse

COLA

TTB Form 5100.31, Application for and Certification/Exemption of Label/Bottle Approval.

Collateral bond

Cash or securities (Treasury note or Treasury bond) pledged to TTB to cover the tax liability on products in bond.

Concentrate

1. For Beer: Concentrate produced from beer by the removal of water under the provisions of subpart R of part 25. The processes of concentration of beer and reconstitution of beer are considered authorized processes in the production of beer.

2. For Wine: Volatile fruit – flavor concentrate: Any volatile fruit-flavor concentrate (essence) produced by any process which includes evaporations from any fruit mash or juice.

Consent of surety

A document that extends the terms of a bond.

Consignee

The consignee is the receiver when a manufacturer sends a quantity of goods from one site to the other.

Consignor

The consignor is the sender when a quantity of goods is sent from one site to the other.

Container

1. For Wine: Any bottle, barrel, cask, or other closed receptacle, regardless of the size or of the material from which it is made, for the sale of wine at retail.
2. For Distilled Spirits: A receptacle, vessel, or form of bottle, can, package, tank, or pipeline (where specifically included) used or capable of being used to contain, store, transfer, convey, remove, or withdraw spirits and denatured spirits.

Contiguous

Touching, near, or bordering.

Conveyance

A method of transportation; a vehicle.

Cooperage

Barrels.

Cordials, liqueurs

Products obtained by mixing or redistilling distilled spirits with, or over, fruits, flowers, plants, or their pure juices, or other natural flavoring materials, or with extracts derived from infusions, percolation, or maceration of such materials, and containing sugar, dextrose, or levulose, or a combination thereof, in an amount not less than two and one-half percent (2.5%) by weight of the finished product.

Cover Over

Monies collected on rum imports that are returned to the treasuries of Puerto Rico or the Virgin Islands.

Curtailement of premises

Realignment of the boundaries of the bonded premises, to place some of the property off bond.

Customs Officer

Any officer of the U.S. Customs and Border Protection Service or any commissioned, warrant, or petty officer of the Coast Guard, or any agent or other person authorized by law or designated by the Secretary of the Treasury to perform any duties of an officer of the Customs Service.

Customs Bonded Warehouse (CBW)

A warehouse established under the provisions of U.S. Customs and Border Protection Service regulations.

D**Decolorizing material**

An agent (substance) that removes color.

Degrees Brix

See Brix.

Denaturant

Any material authorized under 27 CFR part 21 for addition to spirits in the production of denatured spirits.

Denaturation

To add a substance or materials to an alcoholic liquid to make it unfit for beverage use.

Determine

To establish enough information about taxable products at the time of removal to calculate the tax, specifically the quantity (gallons, barrels, proof gallons, pounds or number) and kind (e.g., wine, beer, spirits, cigarettes, snuff, paper, or tubes).

For tobacco: Where the tax rate depends on additional information (such as number of cigarette papers to a set before January 1, 2000, or sale price of large cigars), that information must also be established as part of tax determination.

Distilled spirits operations

Any authorized distilling, warehousing, or processing operations conducted on the bonded premises of a plant qualified under 27 CFR part 19.

Distilled Spirits Plant (DSP)

An establishment qualified under part 19 of 27 CFR for producing, warehousing, or processing of distilled spirits (including denatured spirits), or manufacturing of articles. An establishment qualified under part 19 for distilling, warehousing, processing or any combination of these.

Distilling material

Any fermented or other alcoholic substance capable of, or intended for use in, the original distillation or other original processing of spirits.

DSP

See Distilled Spirits Plant.

Drawback

A return or rebate, in whole or in part, of excise taxes previously paid. A drawback is granted when the claimant has complied with certain statutory requirements. For TTB purposes, drawback is not a 'refund'.

Dump

The practice of bringing spirits, wine, or flavorings into a bonded wine premises or distilled spirits plant and depositing to bulk.

E

Ebulliometer

An instrument used to measure the percentage of alcohol in wine.

Effective Tax Rate

The net tax rate after reduction for any credit allowable under 26 U.S.C. 5010 for wine and flavor content at which the tax imposed on distilled spirits by 26 U.S.C. 5001 or 7652 is paid or determined.

Effervescent

Wine containing more than 0.392 grams of carbon dioxide per 100 ml.

EFT

See Electronic Funds Transfer.

Electronic Funds Transfer (EFT)

Any transfer of funds effected by a proprietor's financial institution, either directly or through a correspondent banking relationship, via the Federal Reserve Communications System (FRCS) or Fedwire, to the Treasury Account at the Federal Reserve Bank.

Eligible flavor

A flavor which:

- (1) Is of a type that is eligible for drawback of tax under 26 U.S.C. 5134,
- (2) Was not manufactured on the premises of a distilled spirits plant, and
- (3) Was not subjected to distillation on distilled spirits plant premises such that the flavor does not remain in the finished product.

Eligible wine

Wine on which tax would be imposed by paragraph (1), (2), or (3) of 26 U.S.C. 5041(b) but for its removal to distilled spirits plant premises and which has not been subject to distillation at a distilled spirits plant after receipt in bond.

Engaged in the business

Conducting operations authorized by TTB.

Entry for deposit

The practice of recording spirits as they come off the still for entry into the storage or processing account.

Export Warehouse

For tobacco: A bonded internal revenue warehouse for the storage of tobacco products and cigarette papers and tubes, upon which the internal revenue tax has not been paid for subsequent shipment to a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States, or for consumption beyond the jurisdiction of the internal revenue laws of the United States.

Extension of premises

Realignment of the bonded premises, to place more of the property on bond.

F

Factory

The premises of a manufacturer of tobacco products as described in his permit issued under 26 U.S.C. chapter 52, or the premises of a manufacturer of cigarette papers and tubes on which such business is conducted.

Fermenting material

For Distilled spirits: Any material which is to be subjected to a process of fermentation to produce distilling material.

For Wine: materials which are in the process of being fermented.

Firearms

Any portable weapons, such as rifles, carbines, machine guns, shotguns, or fowling pieces, from which a shot, bullet, or other projectile may be discharged by an explosive.

Fiscal year

The period which begins October 1 and ends on the following September 30.

Flavor

Substance added to impart or help impart a taste or aroma in food. [21 CFR 170.3\(o\)\(12\)](#)

Flavoring agent

See Flavor

Flavoring adjuvant

See Flavor

Foreign-Trade Zone (FTZ)

A foreign-trade zone established and operated in accordance with the Act of June 18, 1934, as amended.

Foreign Wine

Wine produced outside the United States.

Formula Wine

Special natural wine, agricultural wine, and other than standard wine (except for distilling material and vinegar stock) produced on bonded wine premises under an approved formula.

Fruit flavor concentrate

Concentrated material used for making juices.

Fruit wine

Wine made from the juice of sound, ripe fruit (other than grapes). Fruit wine also includes wine made from berries or wine made from a combination of grapes and other fruit (including berries).

Fuel Alcohol

See Alcohol for Fuel.

G**Gallon - wine gallon**

A United States gallon of liquid measure equivalent to the volume of 231 cubic inches at 60° F.

Gauge

The determination of the proof and quantity of spirits.

General Use Formulas

Standardized formulas given in the regulations for the production of specific articles.

Generic

For wine: Name of a type of wine that originated in a particular place, but is no longer associated with that place of origin, e.g., Vermouth.

Gin

A product obtained by original distillation from mash or by the redistillation of distilled spirits or by mixing neutral spirits with, or over, juniper berries and other aromatics, or with, or over, extracts from infusions, percolations, or maceration of materials. It is bottled at not less than 80% proof.

GRAS

An acronym for "generally recognized as safe." The term means that the treating material has a U.S. Food and Drug Administration (FDA) listing in 21 CFR part 182 or part 184, or is considered to be generally recognized as safe by the FDA.

H**Hard Cider**

Still wine derived primarily from apples or apple concentrate and water (apple juice, or the equivalent amount of concentrate reconstituted to the original brix of the juice prior to concentration, must represent more than 50 percent of the volume of the finished product) containing no other fruit product nor any artificial product which imparts a fruit flavor other than apple; containing at least one-half of one percent (0.5%) and less than seven percent alcohol by volume; having the taste, aroma, and characteristics generally attributed to hard cider; and sold or offered for sale as hard cider.

High-proof concentrate

For wine: A volatile fruit-flavor concentrate (essence) that has an alcohol content of more than 24 percent by volume and is unfit for beverage use (nonpotable) because of its natural constituents, i.e., without the addition of other substances.

L

Importer

1. Any person who imports distilled spirits, wines, or beer into the United States.
2. Any person who brings a taxable article into the United States from a source outside the United States, or who withdraws such an article from a Customs bonded warehouse for sale or use in the United States.
3. Tobacco: Any person in the United States to whom non-taxpaid tobacco products or cigarette papers or tubes manufactured in a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States are shipped or consigned; any person who removes cigars for sale or consumption in the United States from a Customs bonded manufacturing warehouse; and any person who smuggles or otherwise unlawfully brings tobacco products or cigarette papers or tubes into the United States.

In bond

1. For Wine: When used with respect to wine or spirits, "in bond" refers to wine or spirits possessed under bond to secure the payment of the taxes imposed by 26 U.S.C. Chapter 51, and on which such taxes have not been determined. The term includes any wine or spirits on the bonded wine premises or a distilled spirits plant, or in transit between bonded premises (including in the case of wine, bonded wine premises). Additionally, the term refers to wine withdrawn without payment of tax under 26 U.S.C. 5362 and to spirits withdrawn without payment of tax under 26 U.S.C. 5214 (a)(5) or (a)(13) with respect to which relief from liability has not yet occurred.

2. For Distilled Spirits: When used with respect to spirits, denatured spirits, articles, or wine refers to spirits, denatured spirits, articles, or wine possessed under bond to secure the payment of the taxes imposed by 26 U.S.C. Chapter 51, and on which such taxes have not been determined. The term includes such spirits, denatured spirits, articles, or wine on the bonded premises of a distilled spirits plant, such spirits, denatured spirits, or wines in transit between bonded premises (including, in the case of wine, bonded wine cellar premises). Additionally, the term refers to spirits in transit from Customs custody to bonded premises, and spirits withdrawn without payment of tax under 26 U.S.C. 5214, and with respect to which relief from liability has not occurred under the provisions of 26 U.S.C. 5005(e)(2).

3. For Tobacco: The status of tobacco products and cigarette papers and tubes, which come within the coverage of a bond securing the payment of internal revenue taxes imposed by 26 U.S.C. 5701 or 7652, and in respect to which such taxes have not been determined as provided by regulations in this chapter, including (a) such articles in a factory, (b) such articles removed, transferred, or released, pursuant to 26 U.S.C. 5704, and with respect to which relief from the tax liability has not occurred, and (c) such articles on which the tax has been determined, or with respect to which relief from the tax liability has occurred, which have been returned to the coverage of a bond.

Industrial use (for non-beverage purposes)

1. As applied to wines, shall have the meaning ascribed in 27 CFR 1.61: for use in vinegar, for experimental or research use by a university, for use of the Government, or which has been rendered unfit for beverage use.
2. As applied to spirits, shall have the meaning ascribed in 27 CFR 1.60: For use of the Government, for non-beverage purposes, or if denatured.

Intermediate product

For distilled spirits: Any product manufactured pursuant to an approved formula under 27 CFR part 5, not intended for sale as such but for use in the manufacture of a distilled spirits product.

I.R.C.

The Internal Revenue Code of 1954, as amended.

J**Jeopardy to the revenue**

Any possible circumstances where tax collection may suffer.

K**Kind**

1. As applied to wines, kind shall mean the classes and types of wines as prescribed in 27 CFR part 4.
2. As applied to spirits, except as provided in Sec. 19.597, kind shall mean class and type as prescribed in 27 CFR part 5.

Knockdown condition

For firearms: A taxable article that is unassembled but complete as to all component parts.

L**Large cigarettes**

Cigarettes weighing more than three pounds per thousand.

Large cigars

Cigars weighing more than three pounds per thousand.

Liable for tax

Obligated to pay a tax.

Liquor

Distilled spirits.

Liquor bottle

A bottle made of glass or earthenware, or of other suitable material approved by the Food and Drug Administration, which has been designed or is intended for use as a container for distilled spirits for sale for beverage purposes and which has been determined by the appropriate TTB officer to protect the revenue adequately.

Liqueurs

See Cordials.

Litre (liter)

1. Wine: (a) A metric unit of capacity equal to 1,000 cubic centimeters and equivalent to 33.814 U.S. fluid ounces. For purposes of 27 CFR part 4, a liter is subdivided into 1,000 milliliters (ml). (b) For purposes of regulation, one liter of wine is defined as that quantity (mass) of wine occupying a one-liter volume at 20° C (68 °F).
2. Distilled Spirits: A metric unit of capacity equal to 1,000 cubic centimeters of distilled spirits at 15.56° C (60° F.), and equivalent to 33.814 U.S. fluid ounces. A liter is subdivided into 1,000 milliliters. Milliliter or milliliters may be abbreviated as "ml."

Losses

Known quantities of a commodity lost due to breakage, casualty, or other unusual cause.

Lot

Wine of the same type.

When used with reference to a "lot of wine bottled," lot means the same type of wine bottled or packed on the same date into containers.

M**Malt beverage**

A beverage made by the alcoholic fermentation of an infusion or decoction, or combination of both, in potable brewing water, of malted barley with hops, or their parts, or their products, and with or without other malted cereals, and with or without the addition of unmalted or prepared cereals, other carbohydrates or products prepared from these, and with or without the addition of carbon dioxide, and with or without other wholesome products suitable for human food consumption. Standards applying to the use of processing methods and flavors in malt beverage production appear in Sec. 7.11.

Manufacturer of cigarette papers and tubes

Any person who manufactures cigarette paper, or makes up cigarette paper into tubes, except for his own personal use or consumption.

Manufacturer of tobacco products

Any person who manufactures cigars, cigarettes, smokeless tobacco, pipe tobacco, or roll-your-own tobacco but does not include:

- (1) A person who produces tobacco products solely for that person's own consumption or use; or
- (2) A proprietor of a Customs bonded manufacturing warehouse with respect to the operation of such warehouse.

Marks

For Wine: The required markings on each container larger than four liters or each case used to remove wine for consumption or sale as specified in 27 CFR 24.259

Distilled Spirits: The required markings on cases, drums, or barrels as specified in 27 CFR part 19.

Beer: The requirements for beer marks are specified in 27CFR part 25 subpart J.

Tobacco: Every package of **tobacco** products, packaged in a domestic factory will, before removal subject to tax, have adequately imprinted on it, or on a label securely affixed to it, a **mark** as specified in 27 CFR 40.212.

Mash, wort, wash

Any fermented material capable of, or intended for, use as a distilling material.

Mingling

Mixing or consolidating.

Must

For wine: Unfermented juice or any mixture of juice, pulp, skins, and seeds prepared from grapes or other fruit (including berries).

N

Nano brewery:

A very small brewery operation.

Natural wine

The product of the juice or must of sound, ripe grapes or other sound, ripe fruit, made with such cellar treatment as may be authorized under 26 U.S.C. 5382.

Neutral spirits

Distilled spirits produced from any material at or above 190 proof. If they are bottled, they are bottled at not less than 80 proof.

Nonbeverage alcohol

Alcohol that is unfit for use for beverage purposes.

Nonbeverage wine

Wine, or wine products made from wine, rendered unfit for beverage use in accordance with 27 CFR 24.215.

Non-contiguous

Not adjacent or touching.

Non-generic

Name of a type of wine that originated in a particular place, and is still exclusively associated with that place (e.g., Bordeaux).

Nonindustrial use

As applied to spirits, shall have the meaning ascribed in 27 CFR Part 1.60.

Notice

1. Reports of changes to the premises or permits of industry members filed by the industry member.
2. A brewer's qualification document.
3. A step in collecting taxes.

O

Obscuration

The difference between true proof and apparent proof due to dissolved solids in the spirits. These are solid materials in spirits that prevent obtaining the true proof.

Other than standard wine

Wines products that are classified in 27 CFR Part 24 Subpart J as not standard wine, including nonbeverage wine products, heavy bodied blending wine, vinegar stock and artificially flavored wine. A formula is required for the production of Other than Standard Wine.

Operating permit

For Distilled Spirits: The document issued pursuant to 26 U.S.C. 5171(d), authorizing the person named in the document to engage in the business or operation described in the document.

P – Q

Packages

1. A cask or barrel or similar wooden container, or a drum or similar metal container that contains alcohol.
2. For Tobacco: The immediate container in which tobacco products or cigarette papers or tubes are put up in by the manufacturer and offered for sale or delivery to the consumer.

Packer

1. For Wine: Any person who places wine in containers in excess of four liters.
2. For Beer: Any person who places malt beverages in containers of a capacity in excess of one gallon.

Penal sum

The dollar amount of a bond.

Percent or percentage of alcohol content

TTB measures alcohol content in percent by volume.

Permanent discontinuance

The closing of the permission to operate a business regulated by TTB.

Permittee

For wine and distilled spirits: A person holding a basic permit under the Federal Alcohol Administration Act.

Pipe tobacco

Any tobacco which, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco to be smoked in a pipe.

Pistols

Small projectile firearms which have a short one-hand stock or butt at an angle to the line of bore and a short barrel or barrels, and which are designed, made, and intended to be aimed and fired from one hand. The term does not include gadget devices, guns altered or converted to resemble pistols, or small portable guns erroneously referred to as pistols.

Prepayment

The excise tax payment made on or before the date products are removed from bond.

Processing

The manufacturing, mixing, bottling, or denaturing of spirits or the manufacturing of distilled spirits articles.

Processor

Except as otherwise provided under 26 U.S.C. 5002(a)(6), any person qualified under this part who manufactures, mixes, bottles, or otherwise processes distilled spirits or denatured spirits, or manufactures any article.

Produced at

For distilled spirits: As used in 27 CFR 5.22 and 5.52 in conjunction with specific degrees of proof to describe the standards of identity, this term means the composite proof of the spirits after completion of distillation and before reduction in proof.

Proof

The ethyl alcohol content of a liquid at 60° Fahrenheit (F), stated as twice the percent of ethyl alcohol by volume.

Proof gallon

A gallon of liquid at 60° F, which contains 50 percent by volume of ethyl alcohol having a specific gravity of 0.7939 at 60° F, referred to water at 60° F, as unity, or the alcoholic equivalent.

Proprietary solvents

Solvents that are manufactured with specially denatured alcohol under the proprietary solvent general-use formula in 27 CFR part 20.

Proprietor

The person qualified under the regulations to operate regulated premises.

For wine: The person qualified under 27 CFR Part 24 to operate a wine premises, and includes the term "winemaker" when the context so requires.

P.R.

Puerto Rico.

Pure condensed must

The dehydrated juice or must of sound, ripe grapes, or other fruit or agricultural products, concentrated to not more than 80° (Balling), the composition thereof remaining unaltered except for removal of water.

Pursuant to the application

In response to, in accordance with, or after the application.

Racking

1. For Wine: Pumping wine off the lees, or settlings.
2. For Beer: The filling of kegs or barrels.

Reconditioning

1. For distilled spirits: The dumping of distilled spirits products in bond after their bottling or packaging, for purposes other than destruction, denaturation, redistillation, or rebottling. The term may include the filtration, clarification, stabilization, or reformulation of a product.
2. For wine: The conduct of operations, after original bottling or packing, to restore wine to a merchantable condition. The term includes relabeling or recasing operations.

Reconsignment

Changing the destination (or recipient) of a shipment that is already in progress.

Recover

To salvage alcohol after initial use.

Recovered article

An article containing specially denatured spirits salvaged without all of its original ingredients, or an article containing completely denatured alcohol salvaged without all of the denaturants for completely denatured alcohol, under 27 CFR part 20.

Redenaturation

To denature spirits again, by adding a substance or materials to an alcoholic liquid to make it unfit for beverage use.

Redistillation

To distill spirits again after the initial distillation.

Relanded

Any product that has been labeled or shipped for exportation and returned to the United States.

Remission

A decision which indicates that a particular tax is not owed.

Removal - Alcohol

Withdrawal of alcoholic beverages from a regulated plant. Removals are further categorized as Taxable Removals or Non-Taxable Removals.

Removal - Beer

- (a) The sale and transfer of possession of beer for consumption at the brewery, or
- (b) any removal of beer from the brewery.

Removal - Tobacco

The removal of tobacco products or cigarette papers or tubes from the factory or release from Customs custody, including the smuggling of other unlawful importation of such articles into the United States.

Restored pure condensed must

Pure condensed must to which has been added an amount of water not exceeding the amount removed in the dehydration process.

Restoration

To return alcohol to its original state.

Return period

Specified time period for determining taxes due. The amount of time for which a tax return must be filed.

Revolvers

Small projectile firearms of the pistol type, having a breech-loading chambered cylinder so arranged that the cocking of the hammer or movement of the trigger rotates it and brings the next cartridge in line with the barrel for firing.

Roll-your-own tobacco

Any tobacco which, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes or cigars, or for use as wrappers thereof.

Rum

An alcoholic distillate from the fermented juice of sugar cane, sugar cane syrup, sugar cane molasses, or other sugar cane byproducts, produced at less than 190^o proof in such manner that the distillate possesses the taste, aroma, and characteristics generally attributed to rum, and bottled at not less than 80^o proof; and also includes mixtures solely of such distillates.

S

Sale price

The price for which large cigars are sold by the manufacturer, determined in accordance with 27 CFR 40.22 and used for computation of the tax.

SDA

Specially Denatured Alcohol.

Season

The period from January 1 through June 30, is the spring season.
The period from July 1 through December 31, is the fall season.

Secretary

The Secretary of the Treasury or his or her delegate.

Segregation of operations

Separating operations to comply with regulations.

Sets

Any collection, grouping, or packaging of cigarette papers made up by any person for delivery to the consumer as a unit.

Shells and cartridges

Includes any article consisting of a projectile, explosive, and container that is designed, assembled, and ready for use without further manufacture in firearms, pistols, or revolvers. A person who reloads used shell or cartridge casings is a manufacturer of shells or cartridges within the meaning of section 4181 if such reloaded shells or cartridges are sold by the reloader.

Shortage

An unaccounted for discrepancy (missing quantity) of beer disclosed by physical inventory.

Small cigarettes

Cigarettes weighing not more than three pounds per thousand.

Small cigars

Cigars weighing not more than three pounds per thousand.

Small domestic producers wine credit

Tax reduction available to small wineries if they meet certain criteria.

Smokeless Tobacco

Tobacco products that are not intended to be smoked such as snuff and chewing tobacco.

Snuff

Any finely cut, ground, or powdered tobacco that is not intended to be smoked.

Sparkling wine

An effervescent wine containing more than 0.392 gram of carbon dioxide per 100 milliliters of wine resulting solely from the secondary fermentation of the wine within a closed container.

Special Industrial Solvents

Finished articles made in accordance with 27 CFR 20.112.

Special natural wine

Natural wine with added natural flavors. A formula is required for the production of special natural wines.

Specially denatured

Spirits that are denatured under the specially denatured alcohol formulas prescribed in 27 CFR part 21.

Specifically sweetened natural wine

Natural wine with extra sugar, concentrate, or juice added.

Spirits or distilled spirits

That substance known as ethyl alcohol, ethanol, or spirits of wine in any form (including all dilutions or mixtures thereof, from whatever source or by whatever process produced), but not denatured spirits unless specifically stated. The term does not include mixtures of distilled spirits and wine, bottled at

48° proof or less, if the mixture contains more than 50 percent wine on a proof gallon basis.

Spirits residues

Residues, containing distilled spirits, of a manufacturing process related to the production of an article under 27 CFR part 20.

Standard wine

Natural, special natural, specially sweetened natural, and agricultural wines under the provisions of 27 CFR Part 24.

Standards of fill

Authorized sizes of containers of alcohol.

Stick

An individual cigarette.

Still

Any apparatus capable of being used for separating alcoholic or spirituous vapors, or spiritous solutions, or spirits, from spirituous solutions or mixtures, but shall not include stills used for laboratory purposes or stills used for distilling water or other nonalcoholic materials where the cubic distilling capacity is one gallon or less.

Still wine

Wine containing not more than 0.392 gram of carbon dioxide per 100 milliliters.

Sugar

Pure dry sugar, liquid sugar, and invert sugar syrup:

1. Pure dry sugar: Refined sugar 95 percent or more by weight dry, having a dextrose equivalent of not less than 95 percent on a dry basis, and produced from cane, beets, or fruit, or from grain or other sources of starch.
2. Liquid sugar: A substantially colorless refined sugar and water solution containing not less than the equivalent of 60 percent pure dry sugar by weight (60 degrees Brix).
3. Invert sugar syrup: A substantially colorless solution of invert sugar which has been prepared by recognized methods of inversion from pure dry sugar and contains not less than 60 percent sugar by weight (60 degrees Brix).

Surety bond

An agreement with a federally approved insurance company covering the tax liability on products in bond.

T

Tax deferral

Delay of excise tax payment until the due date of the tax return.

Tax determination

The point at which a proprietor establishes the amount of tax due.

Tax-determined spirits

When used with respect to the tax on any distilled spirits to be withdrawn from bond on determination of tax, shall mean that the taxable quantity of spirits has been established.

Tax exempt cider

Cider produced in accordance with 27 CFR 24.76.

Tax Gallon

A gallon of liquid at 60° Fahrenheit (F) which contains 50 percent by volume of ethyl alcohol having a specific gravity of 0.7939 at 60° F referred to water at 60° F, as unity, or the alcoholic equivalent of it.

Tax year

For Special Occupational Tax purposes: The period from July 1 of one calendar year through June 30 of the following year.

Taxpaid spirits

When used with respect to distilled spirits, this term means that all applicable taxes imposed by law in respect to such spirits have been determined or paid as provided by law.

Taxpaid wine

Wine on which the tax, imposed by law, has been determined regardless of whether the tax has been

paid or whether the payment has been deferred.

Taxpaid wine bottling house

Premises established under the provisions of 27 CFR part 24, primarily for bottling or packing taxpaid wine.

Taxpaid wine premises

Premises established under the provision of 27 CFR part 24 on which taxpaid wine operations (other than bottling) are authorized.

TPWBH

See Taxpaid Wine Bottling House.

Tequila

An alcoholic distillate from a fermented mash derived from the Agave Tequilana Weber distilled in a manner so that the distillate has the taste, aroma, and characteristics attributed to Tequila. It is bottled at not less than 80° proof and it includes mixtures only of such distillates. This is a distinctive product of Mexico, manufactured in Mexico in compliance with the laws of Mexico regulating the manufacture of Tequila for consumption in that country.

Tobacco Products

Cigarettes, cigars, smokeless tobacco, pipe tobacco, and roll-your-own tobacco.

Total solids

The degrees Brix of unfermented juice or dealcoholized wine.

Transfer in bond

The removal of spirits, denatured spirits, and wines from one bonded premises to another bonded premises.

Transferee in bond

Receiver of alcohol shipped from one bonded premises to another. When one proprietor sends a shipment of untaxpaid product to another, the recipient (the transferee) assumes the tax liability under his/her bond.

TTB

Alcohol and Tobacco Tax and Trade Bureau.

U

Unconcentrated

Natural form of juice or other material.

Unfinished spirits

Spirits in the production system prior to production gauge.

Unmerchantable

Wine which has been taxpaid, removed from bonded wine premises, and subsequently returned to a bonded wine premises under the provisions of 27 CFR 24.295 for the purpose of reconditioning, reformulation, or destruction.

Untaxpaid

Articles on which taxes have not been paid.

V

Variance

An alternate method or procedure approved by TTB.

V.I.

Virgin Islands.

Vinegar

A wine or wine product not for beverage use produced in accordance with the provisions of this part and having not less than 4.0 grams (4%) of volatile acidity (calculated as acetic acid and exclusive of sulfur dioxide) per 100 milliliters of wine.

Viticultural Area

Any region where grapes are grown. An "American Viticultural Area" is a specific grape growing area defined in 27 CFR Part 9.

Vodka

Neutral spirits so distilled, or so treated after distillation with charcoal or other materials, as to be without distinctive character, aroma, taste, or color.

W – X – Y**Waiver**

Relief from a liability that has not been assessed.

Warehouseman

A proprietor of a distilled spirits plant qualified under 27 CFR part 19 to store bulk distilled spirits.

Warning or warning letter

A formal reprimand by TTB for regulatory violations.

Wine

1. For purposes of taxation, registry, bonding and reports:

When used without qualification, the term includes every class and type of product, produced on a bonded wine premises, from grapes, other fruit (including berries), or other suitable agricultural products. It contains not more than 24 percent of alcohol by volume. The term includes all imitation, other than standard, or artificial wine and compounds sold as wine. A wine product containing less than one-half of one percent alcohol by volume (0.5%) is not taxable as wine when removed from the bonded wine premises. See 27 CFR 24.10.

2. For purposes of labeling, advertising, basic permits, trade practices:

(a) Wine as defined in section 610 and section 617 of the Revenue Act of 1918 (26 U.S.C. 3036, 3044, 3045) and

(b) other alcoholic beverages not so defined, but made in the manner of wine, including sparkling and carbonated wine, wine made from condensed grape must, wine made from other agricultural products than the juice of sound, ripe grapes, imitation wine, compounds sold as wine, vermouth, cider, perry, and sake; in each instance only if containing not less than 7 percent, and not more than 24 percent of alcohol by volume, and if for nonindustrial use. See 27 CFR 4.10.

Wine gallon

Standard gallon of liquid.

Wine products not for beverage use

Products made from wine that are not taxed because they are not suitable for beverage use (e.g., sauces, jellies, salted cooking wines, and wine vinegar).

Wine spirits

Brandy or wine spirits authorized under 26 U.S.C. 5373 for use in wine production.

Withdraw without payment of tax

Removing alcohol from the bonded premises without payment of tax on those items.

Withdraw of spirits

Removing spirits from distilled spirits bonded premises as specified in 27 CFR Part 19.

Wort

The product of brewing before fermentation which results in beer.

Z**Zone operator**

The person to which the privilege of establishing, operating, and maintaining a foreign-trade zone has been granted by the Foreign-Trade Zones Board created by the Act of June 18, 1934, as amended.