



Tax-Free Alcohol Permits

Presented by
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National Revenue Center



5/2008



Objectives

- Determine the eligible and prohibited uses of tax-free alcohol
- Identify how to originally qualify for a tax-free permit
- Determine how to amend your existing permit application
- Understand the changes that must be reported to the National Revenue Center (NRC)
- Learn what to do if you discontinue operations

Alcohol and Tobacco Tax and Trade Bureau



Tax-Free Alcohol

- Tax-Free Alcohol, also known as ethanol or ethyl alcohol, is 190° or more proof (95% alcohol by volume).
- It may be withdrawn free of tax from the bonded premises of a distilled spirits plant and may be diluted or mixed during subsequent processes.



27 CFR part 22

Alcohol and Tobacco Tax and Trade Bureau



Who Needs to Apply?

- Subpart D – 27 CFR 22.41 states:
“Each person desiring to withdraw and use tax-free alcohol shall, before commencing business, file an application and obtain a permit.”

Alcohol and Tobacco Tax and Trade Bureau



Eligible Uses of Tax-Free Alcohol

- For the use of an educational organization, scientific university, or college of learning.
- For any laboratory for use exclusively in scientific research.
- For use at hospitals, blood banks, or sanitariums, or at any pathological laboratory exclusively engaged in making analyses or tests for hospitals or sanitariums.
- For the use of any clinic operated for charity and NOT FOR PROFIT.
- For use by any State or political subdivision (27 CFR 22.103).

27 CFR 22.101

Alcohol and Tobacco Tax and Trade Bureau



Prohibited Uses of Tax-Free Alcohol

- Under **NO** circumstances may tax-free (TF) alcohol be used for beverage purposes, food products, or in any preparation used in preparing beverage or food products.
- Industry members are **prohibited** from selling TF alcohol, using TF alcohol in the manufacture of any product for sale, or selling any products resulting from the use of TF alcohol. EXCEPTION: A hospital, sanitarium, or clinic can use TF alcohol for medicines compounded and dispensed to patients (27 CFR 22.105 - 22.106).

27 CFR 22.102

Alcohol and Tobacco Tax and Trade Bureau



Prohibited Uses of Tax-Free Alcohol (Cont'd)

- TF alcohol may not be removed from the permit premises unless specifically authorized by the terms of their permit, or permission is obtained from TTB's NRC.
- INDUSTRY MEMBERS WHO USE TF ALCOHOL IN ANY MANNER PROHIBITED BY THE REGULATIONS BECOME LIABLE FOR THE TAX ON THE ALCOHOL.

27 CFR 22.102

Alcohol and Tobacco Tax and Trade Bureau



Qualifying Documents (1,500 proof gallons or less)

- TTB Form 5150.22, Application for an Industrial Alcohol User Permit
- TTB Form 5100.1, Signing Authority for Corporate Officials or Form 5000.8, Power of Attorney (27 CFR 22.53)
 - **Not required if sole ownership**
- TTB Form 5630.5, Special Tax Registration and Return (SOT)
 - The amount of \$250 per year is due by July 1.
 - This can be pro-rated.
 - **EXCEPTION:** An educational institute that withdraws 25 gallons or less per year is not required to pay SOT (27 CFR 22.37(e)(i)).

Alcohol and Tobacco Tax and Trade Bureau



Annual Allowance Exceeds 1,500 Proof Gallons

- **Additional forms are required:**
 - Articles of Incorporation, Articles of Organization or a Partnership Agreement
 - Certificate of Incorporation or document authorizing the corporation to do business in the State in which the Industry member is located. (If other than the state in which the company is organized)
 - Listing of names and addresses of officers, directors and stockholders owning 10% or more.
 - Statement showing number of shares of each class of stock, authorized and outstanding, par value and voting rights of respective owners.

Alcohol and Tobacco Tax and Trade Bureau



Qualification Exception

- Are you a State, county, or Federal entity?
If so, you may:
 - Obtain a SINGLE permit authorizing the withdrawal and use of tax-free alcohol for MULTIPLE institutions under your control.
 - Your application should list all locations and include a detailed explanation of how you intend to distribute and account for all the tax-free alcohol to be withdrawn.

27 CFR 22.41(b)(2)

Alcohol and Tobacco Tax and Trade Bureau

DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) APPLICATION FOR AN INDUSTRIAL ALCOHOL USER PERMIT (Prepare in duplicate. See instructions below.)		
1. INDUSTRIAL USE NUMBER (Leave blank for original application)	2. SERIAL NUMBER	3. DATE OF APPLICATION
4. APPLICATION MADE BY (Give full name and principal business address and the State in which incorporated, if applicable.)		5. ADDRESS WHERE ALCOHOL WILL BE USED IF DIFFERENT FROM ITEM 4
BUSINESS PHONE#	EIN#	E-MAIL ADDRESS (OPTIONAL)
6. APPLICATION IS MADE TO: (Check applicable box(es))		
a. <input type="checkbox"/> DEAL IN SPECIALLY DENATURED SPIRITS (Alcohol, Rum)		c. <input type="checkbox"/> USE TAX-FREE ALCOHOL
b. <input type="checkbox"/> USE SPECIALLY DENATURED SPIRITS (Alcohol, Rum)		d. <input type="checkbox"/> RECOVER (SDA, Articles, Tax-free Alcohol)
7. ESTIMATED ANNUAL WITHDRAWALS		8. TYPE OF ORGANIZATION
a. _____ Wine gallons of specially denatured spirits		a. <input type="checkbox"/> Sole Proprietor c. <input type="checkbox"/> Corporation
b. _____ Proof gallons of tax-free spirits		b. <input type="checkbox"/> Partnership d. <input type="checkbox"/> State or Local Governmental Agencies (including hospitals, universities, etc.)
9. PURPOSE FOR WHICH SPIRITS WILL BE USED		10. PURPOSE FOR WHICH THIS APPLICATION IS FILED
11. TRADE NAMES (Identify the office where they are registered)		
12. LIST OF EQUIPMENT USED IN RECOVERY PROCESS (include serial number, kind, capacity, name and address of manufacturer and owner of distilling apparatus, and state the intended use.)		
13. CONDITIONS I fully understand that any permits that are issued pursuant to this application are subject to the following conditions: a. That there are no false statements in this application, that all employees while on the permit premises will conform to all of the laws of the United States relating to the manufacture, taxation, and control of and traffic in intoxicating liquors, and all regulations pursuant to these laws, in force now or later, that I will pay the tax, with interest and penalties, on all alcohol diverted while being transported to me, and on all alcohol withdrawn, transported, used, or disposed of by me in violation of the laws and regulations, in force now or later, and that all persons interested in the business to be conducted under this permit are, under the laws and regulations, qualified to receive the privileges applied for. b. That all data, written statements, evidence, affidavits, and other documents submitted in support of this application shall be deemed to be a part of this application and any permit issued is conditioned on the provision. c. That specially denatured and tax-free spirits will be stored and secured in accordance with the requirements of 27 CFR, Parts 20 and 22. Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.		
14. NAME AND TITLE OF AUTHORIZED PERSON (Type or Print)		15. SIGNATURE OF AUTHORIZED PERSON

TTB F 5140.22 (12/2006)

Assigned by NRC

Name & address of principal

Phone EIN

(b) Proof Gallons

Purpose – Research

Recovery Info

Name & title of person signing

Date

Completed if different than # 4


Use TF

Type of organization

Original/Amended

Trade Name

Signature of person with authority



Common Application Errors

- Block 4 – Entity Name/State in which entity is organized
- Block 5 – Where is alcohol used?
- Block 6 – TF, not SDS
- Block 7 – Annual withdrawal amount?
- Block 9 – Specify uses
- Block 10 – Why filed? What changed?
- Block 14/15 – Signature Authority

Alcohol and Tobacco Tax and Trade Bureau

OMB No. 1513-0036 (11-30-2010)

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
SIGNING AUTHORITY FOR CORPORATE AND LLC OFFICIALS

NAME AND COMPLETE ADDRESS OF CORPORATION OR LLC BOARD MEETING <input type="checkbox"/> DIRECTORS <input type="checkbox"/> TRUSTEES <input type="checkbox"/> MANAGERS <input type="checkbox"/> GOVERNORS I certify that this is true and complete and that the above authorization was granted at the cited meeting of the board. SIGNATURE _____ PRINTED NAME _____ TITLE _____ DATE _____ <input type="checkbox"/> NO SEAL <small>(If no seal, attach a resolution or meeting minutes that respect the authorization identified above.)</small>	COMPLETE APPLICABLE INFORMATION <input type="checkbox"/> CHECK IF YOU ARE A NEW APPLICANT REGISTRY/PERMIT NO. _____ DATE OF MEETING _____ CORPORATE/LLC SEAL <input type="checkbox"/> NO SEAL <small>(If no seal, attach a resolution or meeting minutes that respect the authorization identified above.)</small>
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THE FOLLOWING CORPORATE/LLC OFFICIALS, EMPLOYEES, OR INCUMBENTS OF THE OFFICES LISTED ARE AUTHORIZED TO SIGN, OR TO APPOINT PERSONS AUTHORIZED TO SIGN, ALL DOCUMENTS UNLESS OTHERWISE SPECIFIED, SUBMITTED ON THE CORPORATION/LLC'S BEHALF TO THE ALCOHOL AND TOBACCO TAX AND TRADE BUREAU. OUTSIDE CONSULTANTS MAY NOT APPOINT OTHERS TO SIGN ON THE CORPORATION/LLC'S BEHALF.

INSTRUCTIONS
Prepare and submit to the Director, National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau, in duplicate. Each copy must be signed in ink by a corporate/LLC official and be embossed with the corporate/LLC seal (if any). This form may be used to list the corporate/LLC officials, or employees (if any), who are authorized by the articles of incorporation, the bylaws, or the board of directors in adopted resolutions or motions, to act on behalf of the corporation or to sign its name. If the authorization to sign is granted by position title, rather than to specific individuals by name, a new authorization will not be needed each time a change of incumbent occurs. However, if you list an individual's name along with a title/position, the authority is limited to the period of time that the specific individual holds the specific title/position. If an individual or incumbent's authority is restricted to a certain area of expertise or specific documents, identify the limitation next to the designation. WHERE THE AUTHORIZATION IS NOT GRANTED BY THE ARTICLES OF INCORPORATION OR ORGANIZATION, THE BY-LAWS, OR ACTION BY THE BOARD OF DIRECTORS OR MANAGING MEMBERS, TTB F 5000.8, POWER OF ATTORNEY, MUST BE SUBMITTED.

PAPERWORK REDUCTION ACT NOTICE
This request is in accordance with the Paperwork Reduction Act of 1995. The information collection is used by TTB to ensure that only duly authorized individuals are signing documents. This information is voluntary. The estimated average burden associated with this collection of information is .25 hours per respondent or preparer depending on respondent circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to the Reports Management Officer, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, DC 20220. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current, valid OMB control number.
TTB F 5100.1 (12/2007)

OMB No. 1513-0014 (10/31/09)

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
POWER OF ATTORNEY
(Please read instructions before completing this form)

1. PRINCIPAL (Name of Partnership, Corporation, Association, Estate, or 2. BUSINESS IN WHICH ENGAGED Individual) 3. ADDRESS (Number, Street, City, State, ZIP Code), TELEPHONE NUMBER, AND EMAIL ADDRESS 4. TAXPAYER IDENTIFICATION NUMBER (Employer Identification Number or Social Security Number) 5. PERMIT NUMBER / REGISTRY NUMBER (if applicable) 6. NAME AND TELEPHONE NUMBER OF APPOINTED ATTORNEY 7. ADDRESS (Number, Street, City, State, and ZIP Code) 8. The above named principal, engaged in the business shown, has appointed the above named attorney to: (See instruction 2) (a) Execute for him/her all applications, notices, bonds, tax returns, tax information disclosure authorizations, and other instruments, claims, offers in compromise, letters, writings, and papers, and to act for him/her in dealing with the Alcohol and Tobacco Tax and Trade Bureau (TTB) in connection with matters relating to the laws and regulations administered by it. The principal authorizes the attorney named above to receive on his/her behalf any and all notices, papers, and letters from the Alcohol and Tobacco Tax and Trade Bureau in connection with all such matters, and grants him/her full power and authority to do all that is essential in and about the premises, as duly as the principal could do if personally present, with full power of substitution and revocation. The principal hereby ratifies and confirms all that the attorney must lawfully do or cause to be done by virtue of this appointment. (b) 9. The power is to apply to the following (If authority is restricted to a particular factory, plant, premises, etc., give name as: Distilled Spirits Plant, Tobacco Products Factory, Tobacco Export Warehouse, etc., and address and registry number, or, if a Wholesale Liquor Dealer, SDA, or Tax-Free Alcohol User, or if this Power of Attorney may be used for manufacturing or importing firearms or ammunition, etc., give permit number.) 10. SIGNATURE OF APPOINTED ATTORNEY 11. SIGNATURE IF PRINCIPAL IS INDIVIDUAL (Signature of Principal) DATE 12. SIGNATURE IF PRINCIPAL IS PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP (LLP), ESTATE, CORPORATION, LIMITED LIABILITY COMPANY (LLC), OR ASSOCIATION Under penalties of perjury, I declare that I have the authority to execute this power of attorney on behalf of the principal. <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">Signature _____</td> <td style="width: 33%;">Title _____</td> <td style="width: 33%;">Date _____</td> </tr> <tr> <td>Signature _____</td> <td>Title _____</td> <td>Date _____</td> </tr> <tr> <td>Signature _____</td> <td>Title _____</td> <td>Date _____</td> </tr> </table>	Signature _____	Title _____	Date _____	Signature _____	Title _____	Date _____	Signature _____	Title _____	Date _____	Research, etc Leave blank unless amending Address where appointed individual works If restricted, Authorization List here Signature of person being granted authority Seal
Signature _____	Title _____	Date _____								
Signature _____	Title _____	Date _____								
Signature _____	Title _____	Date _____								

TTB F 5000.8 (11/2009)

Complete either 14(a) 14(b) or 14(c)

14. ACKNOWLEDGMENT, WITNESSING, OR DECLARATION (Complete 14a, 14b, or 14c)

14a. ACKNOWLEDGMENT
The above-named person(s) signing as or for the principal(s) appeared before me today and acknowledged this power of attorney as his/her/their voluntary act and deed. The notarial seal must be affixed unless a seal is not required under the laws of the state where the power of attorney is executed.

14b. WITNESSING
This power of attorney was signed by or for the principal(s) by a person or persons known to, and in the presence of, the two disinterested witnesses whose signatures appear below:

Signature of Notary or Other Officer
Date
Title
Signature of Witness
Date

14c. DECLARATION by attorney, certified public accountant, or enrolled practitioner who is granted the power of attorney by this form:
I declare that I am aware of the regulations of 31 CFR Part 8, that I am not currently under suspension or disbarment from practice before the Alcohol and Tobacco Tax and Trade Bureau, and that I am currently: (Check applicable box)
 A member in good standing of the bar of the highest court of _____
 Qualified to practice as a certified public accountant in _____

Printed Name
Signature

*Insert Name of State, Possession, or District of Columbia

FOR TTB USE ONLY

DATE RECEIVED FOR FILING DISTRICT RECEIVED BY (Signature and Title)
DATE RECEIVED FOR FILING TTB OFFICE RECEIVED BY (Signature and Title)

INSTRUCTIONS

- GENERAL. This form is filed with each TTB office in which the appointed attorney is to represent the principal.
- ITEM 8. A full power of attorney is granted by paragraph 8(a). The power of attorney may be limited or restricted by deleting all of paragraph 8(a) and listing the specific powers to be conferred in section 8(b).
- EXECUTION. This form must be signed by or on behalf of the principal(s) as follows:
 - INDIVIDUAL by his or her completion of item 11.
 - PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP (LLP) by completion of item 12 by all partners, or one partner who attaches his/her authorization to act on behalf of all the partners unless this authorization is provided by State law.
 - CORPORATION or ASSOCIATION by completion of items 12 and 13, an officer, preferably the president, vice-president, or treasurer, must sign in item 12.
 - ESTATE by completion of item 12 by the executor or administrator and attaching other such documents as may be required by TTB.
 - LIMITED LIABILITY COMPANY (LLC) by completion of item 12 by all members or managers, or one member or manager who attaches his/her authorization to act on behalf of the LLC.
- FILING. This form must be completed in duplicate, unless otherwise required, and submitted to the Director, National Revenue Center, 550 Main St., Ste. 8002, Cincinnati, OH 45202-5215. The original with any attachments will be retained by the Director, National Revenue Center, and all other copies will be returned to the principal. If the power of attorney is applicable to more than one business establishment, additional copies must be submitted for each.

The additional copies will be filed in the same manner as when the power of attorney relates to only one establishment or business. Copies reproduced by photographic process need not be certified as copies of the original.

- ORIGINAL OF A RULING. The Alcohol and Tobacco Tax and Trade Bureau will give to an appointed attorney the original of a ruling concerning the principal about TTB matters if a statement is made to that effect in item 8(b).
- REVOCATION. A power of attorney remains in effect until revoked by the principal in written notice to the Director, National Revenue Center.
- RULES. All persons representing clients before the Alcohol and Tobacco Tax and Trade Bureau must comply with the regulations governing representation (25 CFR Part 601 or those regulations as recodified in 27 CFR Part 71) and any other applicable rules and statutes.

PAPERWORK REDUCTION ACT NOTICE

This request is in accordance with the Paperwork Reduction Act of 1995. The information collection is used by TTB to ensure that only duly authorized individuals are signing documents. The information is voluntary.

The estimated average burden associated with this collection of information is 30 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to the Reports Management Officer, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, DC 20201.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current, valid OMB control number.

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**DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
SPECIAL TAX REGISTRATION AND RETURN
ALCOHOL AND TOBACCO**

(Please Read Instructions Carefully Before Completing This Form)

SECTION I - TAXPAYER IDENTIFYING INFORMATION

1. EMPLOYER IDENTIFICATION NUMBER (Required see instructions) ()
2. BUSINESS TELEPHONE NUMBER ()

3. NAME (Last, First, Middle) or CORPORATE NAME (If Corporation)

4. TRADE NAME

5. MAILING ADDRESS (Street address or P.O. box number)

6. CITY STATE ZIP CODE

ACTUAL LOCATION (IF DIFFERENT THAN ABOVE)
7. PHYSICAL ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Show street address)

8. CITY STATE ZIP CODE

9. TAX PERIOD COVERING (only one tax period per form)
FROM: (mm/dd/yyyy)
TO: June 30, (yyyy)

SECTION II - TAX COMPUTATION

TAX CLASS DESCRIPTION (FOR ITEMS MARKED*, SEE INSTRUCTIONS)	MONTHLY (b)	ANNUAL (c)	LOCATIONS (d)	TAX DUE (e)	CODE (f)
RETAIL DEALER					
Beer only	\$20.83 %	\$250			11
Liquors (Distilled Spirits, Wine or Beer) - at large	\$20.83 %	250			15
Beer only - at large	\$20.83 %	250			16
WHOLESALE DEALER					
Distilled spirits, wine or beer	\$41.66 %	500			31
Beer only	\$41.66 %	500			32
BREWER					
Regular rate	\$83.33 %	1000			41
REDUCED rate*	\$41.66 %	500			43*
NONBEVERAGE OR VINYLIC CLAIMANT					
User of specially denatured alcohol	\$20.83 %	250			51
Dealer in specially denatured alcohol	\$20.83 %	250			56
User of tax-free alcohol	\$20.83 %	250			57
ALCOHOL PRODUCERS					
Proprietor of alcohol fuel plant	\$83.33 %	1000			58
Proprietor of alcohol fuel plant - REDUCED*	\$41.66 %	500			59*
Proprietor of distilled spirits plant	\$83.33 %	1000			81
Proprietor of distilled spirits plant - REDUCED*	\$41.66 %	500			89*
Proprietor of bonded wine cellar	\$83.33 %	1000			82
Proprietor of bonded wine cellar - REDUCED*	\$41.66 %	500			87*
Proprietor of bonded wine warehouse	\$83.33 %	1000			83
Proprietor of bonded wine warehouse - REDUCED*	\$41.66 %	500			89*
Proprietor of taxpaid wine bottling house	\$83.33 %	1000			84
Proprietor of taxpaid wine bottling house - REDUCED*	\$41.66 %	500			89*
TOBACCO PRODUCTS					
Manufacturer of tobacco products	\$83.33 %	1000			91
Manufacturer of tobacco products - REDUCED*	\$41.66 %	500			95*
Manufacturer of cigarette papers and tubes	\$83.33 %	1000			92
Manufacturer of cigarette papers and tubes - REDUCED*	\$41.66 %	500			99*
Proprietor of export warehouse	\$83.33 %	1000			93
Proprietor of export warehouse - REDUCED*	\$41.66 %	500			97*

MAKE CHECK OR MONEY ORDER PAYABLE TO "ALCOHOL AND TOBACCO TAX AND TRADE BUREAU", TOTAL TAX DUE \$
WRITE YOUR EMPLOYER IDENTIFICATION NUMBER ON THE CHECK AND SEND IT WITH THE RETURN TO TTB, P.O. BOX 371982, PITTSBURGH, PA 15250-7982.

Under penalties of perjury, I declare that the statements in this return/registration are true and correct to the best of my knowledge and belief that this return/registration applies only to the specified business and location or where the return/registration is for more than one location, it applies only to the business at the locations specified on the attached list. Note: Violation of Title 26, United States Code 7206, with the respect to a declaration under the penalties of perjury, is punishable upon conviction by a fine of not more than \$100,000 (\$500,000 in the case of a corporation) or imprisonment for not more than 3 years, or both, with the costs of prosecution added thereto.

SIGNATURE TITLE DATE

TTB F 5630.5 (5/2005)

SECTION II - BUSINESS REGISTRATION		
10. OWNERSHIP INFORMATION: (Check One Box Only) <input type="checkbox"/> INDIVIDUAL OWNER <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> CORPORATION <input type="checkbox"/> LLC <input type="checkbox"/> OTHER (Specify)		
11. OWNERSHIP RESPONSIBILITY: (Read instruction sheet; use a separate sheet of paper if additional space is needed.)		
FULL NAME	ADDRESS	POSITION
FULL NAME	ADDRESS	POSITION
FULL NAME	ADDRESS	POSITION
FULL NAME	ADDRESS	POSITION
FULL NAME	ADDRESS	POSITION
12. <input type="checkbox"/> GROSS RECEIPTS less than \$500,000 (See instructions for reduced rate taxpayers on the instruction sheet below.)		
13. <input type="checkbox"/> NEW BUSINESS (NOTE: RETAILERS AND WHOLESALERS SHOW DATE ALCOHOLIC BEVERAGE SALES BEGAN; PRODUCERS, MANUFACTURERS, AND USERS SHOW DATE BUSINESS COMMENCED)		DATE OF CHANGE (mm, dd, yyyy)
14. <input type="checkbox"/> EXISTING BUSINESS WITH CHANGE IN:		
<input type="checkbox"/> (a) NAME/TRADE NAME (indicate)		DATE OF CHANGE (mm, dd, yyyy)
<input type="checkbox"/> (b) ADDRESS (indicate)		DATE OF CHANGE (mm, dd, yyyy)
<input type="checkbox"/> (c) OWNERSHIP (indicate)		DATE OF CHANGE (mm, dd, yyyy)
<input type="checkbox"/> (d) EMPLOYER IDENTIFICATION NUMBER (OLD: _____ NEW: _____)		DATE OF CHANGE (mm, dd, yyyy)
<input type="checkbox"/> (e) BUSINESS TELEPHONE NUMBER (_____)		
15. <input type="checkbox"/> DISCONTINUED BUSINESS		DATE BUSINESS DISCONTINUED (mm, dd, yyyy)

PAPERWORK REDUCTION ACT NOTICE


This request is in accordance with the Paperwork Reduction Act of 1995. This information is used to ensure compliance by taxpayers of PL 100-647, Technical Corrections Act of 1988, and the Internal Revenue Laws of the United States. This information collection is used to determine and collect the right amount of tax.

The estimated average burden associated with this collection of information is .8 hour per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to Reports Management Office, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, D.C. 20220.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current valid OMB control number.



(SEE INSTRUCTION SHEET)

Page 2 of 2 TTB F 5638.3 (10/2008)



Proper Storage Facilities

- Tanks and containers must be constructed and secured to prevent unauthorized access; equipped for locking when unattended; and have a means of accurately measuring the tax-free alcohol they contain (27 CFR 22.92).
- Alcohol should not be held indefinitely at the shipping address (central receiving dock or central stores) but deposited at the tax-free premises as soon as possible.

Alcohol and Tobacco Tax and Trade Bureau



Receipts & Inventories

- Tax-Free users are responsible for:
 - Verifying shipments are complete, and in the event of any loss in transit, file the required claim form per (27 CFR 22.125).
 - Maintaining a record of receipt at the address where tax-free alcohol is used per (27 CFR 22.113).
 - Conducting a semi-annual inventory of all tax-free alcohol per (27 CFR 22.162).

Alcohol and Tobacco Tax and Trade Bureau

Name & Address of Industry Member	DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU INDUSTRIAL ALCOHOL USER PERMIT		PERMIT NUMBER	Permit # Assigned by NRC
			EFFECTIVE DATE	
Check Withdraw and use alcohol free of tax			MAXIMUM QUANTITY TO BE WITHDRAWN PER CALENDAR YEAR	Amt of alcohol Requested on app. Check Proof Gallons
			<input type="checkbox"/> GALLONS <input type="checkbox"/> PFD OF GALLONS	
Check original or amended	You are hereby authorized to: <ul style="list-style-type: none"> <input type="checkbox"/> Withdraw and use alcohol free of tax <input type="checkbox"/> Recover/restore alcohol free of tax <input type="checkbox"/> Withdraw and use specially denatured alcohol/rum <input type="checkbox"/> Withdraw and feed in specially denatured alcohol/rum <input type="checkbox"/> Recover/restore and use specially denatured alcohol/rum 		Date permit assigned	
	Operations must be conducted at the above address, subject to applicable law and regulations, the Federal Water Pollution Control Act and to the conditions set forth below.			
	This permit is continuing and will remain in force unless suspended, revoked, voluntarily surrendered or automatically terminated.			
	This permit is not transferable. In the event of any lease, sale or other transfer of the operations authorized or of any other changes in the proprietorship of such operations, this permit shall automatically terminate unless the successor registers by the end of thirty days. If a timely application is filed, the outstanding permit will continue in effect until the application is acted upon by the National Revenue Center or Puerto Rico Operations Office.			
	Tax-free alcohol may not be used for any purpose or in any manner not shown on an approved permit application.			
	THIS PERMIT IS SUBJECT TO THE FOLLOWING CONDITIONS:			
	GENERAL CONDITIONS			
	1. That the permittee complies with the provisions of 26 U.S.C., Chapter 51 and its regulations. 2. That the permittee has made no false statement as to any material fact in the application for this permit. 3. That the permittee furnishes all the material information required by law and regulations. 4. That the permittee and all persons interested in the permitted operations, shall not violate or conspire to violate any law of the United States relating to intoxicating liquor and shall not be convicted of any offense under the United States Code punishable as felony or of any conspiracy to commit such an offense. 5. That the permittee continues, by means of operations, to be venturized to procure, possess and dispose of/use, as the case may be, specially denatured alcohol/rum or alcohol free of tax. 6. That the permittee timely prepares and maintains at the address stated on this permit, adequate and accurate records and reports as required by 26 U.S.C. 5775 and its regulations, and makes timely, true and complete reports of operations as required by law and regulations. 7. That the permittee has not discontinued the operations authorized by this permit for a period exceeding two years.			
	SPECIFIC TAX FREE CONDITIONS			
	That the permittee use alcohol withdrawn free of tax only for the purposes set forth in this permit and within the conditions and limitations specified in 26 U.S.C. 5214(a)(2) or (3).			
SPECIFIC SPECIALLY DENATURED ALCOHOL/RUM CONDITIONS				
1. That the permittee shall use specially denatured alcohol/rum in the manufacture of an article in accordance with an approved formula (including any general use formula). When using specially denatured alcohol, for laboratory or mechanical purposes, not in the development of a product, use in the manner provided by law and regulations. 2. That the permittee manufactures, labels, advertises and sells or uses articles in the manner provided by law and regulations. 3. That the permittee, if authorized by this permit, recovers completely denatured alcohol, specially denatured alcohol/rum, or articles, in accordance with approved statements of process, in the manner provided by law and regulations. 4. That the permittee shall not dispose of specially denatured alcohol/rum to a user without a valid copy of the user's permit.				
Signed by supervisor	<input type="checkbox"/> ORIGINAL PERMIT <input type="checkbox"/> AMENDED PERMIT		Only completed if amended permit	
	REASON FOR AMENDMENT (if applicable)			
	DATE OF AMENDMENT			
SIGNATURE AND TITLE OF AUTHORIZED TTB OFFICIAL				
FOR JOHN J. MANFREDA, ADMINISTRATOR				
TTB F 5160-9 (1/2016)				



Changes After Original Qualification

A. Change in Name – (27 CFR 22.61)

1. TTB Form 5150.22 or letterhead notice (27 CFR 22.57). The person who signs must have signing authority on file.
2. Amended Articles to show the name change.
3. Industry member will need to return their previous permit for disposition – if it cannot be found they must notate in letterhead form that the permit cannot be located and if found will be returned to the NRC.
4. Industry Member must file an amended Special Tax Registration and Return on TTB Form 5630.5 to record the new name. After July 1, 2008, there will not be SOT stamps to amend.

Alcohol and Tobacco Tax and Trade Bureau



Changes After Original Qualification (Cont'd)

B. Change in Location (27 CFR 22.63)

1. TTB Form 5150.22 or letterhead notice.
2. Industry member will need to return their previous permit to the NRC for disposition.
3. Industry Member must file an amended Special Tax Registration and Return on Form TTB 5630.5 to record the new name. After July 1, 2008, there will not be SOT stamps to amend.

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Changes After Original Qualification (Cont'd)

C. Change in Withdrawal Allowance

1. TTB Form 5150.22 or a letterhead notice
2. If the industry member is increasing their annual withdrawal from under 1,500 pg to over 1,500 pg, they will need to submit all the supplemental corporate documentation that is required for an original application.

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Changes After Original Qualification (Cont'd)

D. Change in Stock Ownership (27 CFR 22.57(c)(3))

1. TTB Form 5150.22 or letterhead notice.
2. If the permit withdrawal amount is over 1,500 pg, a new listing of stockholders and stock information needs to be submitted to the NRC.

** ANY stock transfer that results in a change of control (27 CFR 22.58(b)), the permittee must file an application for a new permit within 30 days of the change.

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Changes After Original Qualification (Cont'd)

E. Change in Proprietorship/Ownership (27 CFR 22.58(c))

1. The company has 10 days from the date of the change to notify the NRC in writing and 30 days to submit a new application.
2. Permits are **NOT** transferable and the industry member must obtain a new permit in the same manner as an original qualification.

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Lost or Misplaced Permit

- You will need:
 - A letterhead notice requesting a certified copy of your permit signed by an authorized signer.

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Permanent Discontinuance

- Industry member will submit a letterhead notice that contains a request to cancel the permit and the date of discontinuance.
- You will need to surrender your original permit. If permit cannot be located, submit a statement to that effect.
- Provide a statement regarding the disposition of all tax-free and recovered alcohol in your inventory according to 27 CFR 22.154.

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27 CFR 22.68



Disposition

- What can I do with tax-free alcohol still on hand, once I go out of business?
- YOU HAVE THREE CHOICES:
 - Return the spirits to a distilled spirits plant, as provided in § 22.151.
 - Destroy them, as provided in § 22.142.
 - Ship them to another tax-free user, in accordance with § 22.155.

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27 CFR 22.154



Review of Objectives

- Determined the eligible and prohibited uses of tax-free alcohol
- Identified how to originally qualify for a tax-free permit
- Determined how to amend your existing permit application
- Reviewed the changes that must be reported to the NRC
- Learned the requirements for Discontinuance of Operations

Alcohol and Tobacco Tax and Trade Bureau



Contact Information

- **Mail your application to:**
National Revenue Center
8002 Federal Office Bldg.
550 Main Street
Cincinnati, OH 45202
- **Phone:** 1-877-882-3277 (toll free) or
1-513-684-7150
- **Online:** www.ttb.gov

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