

Starting a Distilled Spirit Business:

A Guide to Completing the Alcohol and Tobacco Tax and Trade Bureau Application and the Oregon Liquor Control Commission Licensing Process

Derrick Risner, Paul Hughes, Lisbeth Meunier-Goddik, and Sebastian Ramirez



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Contents

Introduction.....	1
Business registration.....	2
Pre-application logistics.....	3
TTB and OLCC application process.....	5
Additional DSP processor requirements.....	11
Appendices.....	12
A: Employer Identification Number SS-4.....	13
B: Distilled Spirits Bond Form TTB F 5110.56.....	15
C: Signing Authority for Corporate and LLC Officials TTB F 5100.1.....	19
D: Power of Attorney TTB F 5000.8.....	20
E: Definitions from 27 CFR § 19.1.....	22
F: Bond requirements from 27 CFR 19.166.....	26
G: Labeling and formula information.....	29

Derrick Risner, graduate student; Paul Hughes, assistant professor and Extension specialist, Distilled Spirit Production; Lisbeth Meunier-Goddik, professor and Extension specialist, Dairy Processing; all of Department of Food Science, Oregon State University; and Sebastian Ramirez, distiller, Spiritopia

Introduction

Craft distilling is a growing industry, particularly in the Pacific Northwest. National, state, and local regulatory agencies oversee the industry.

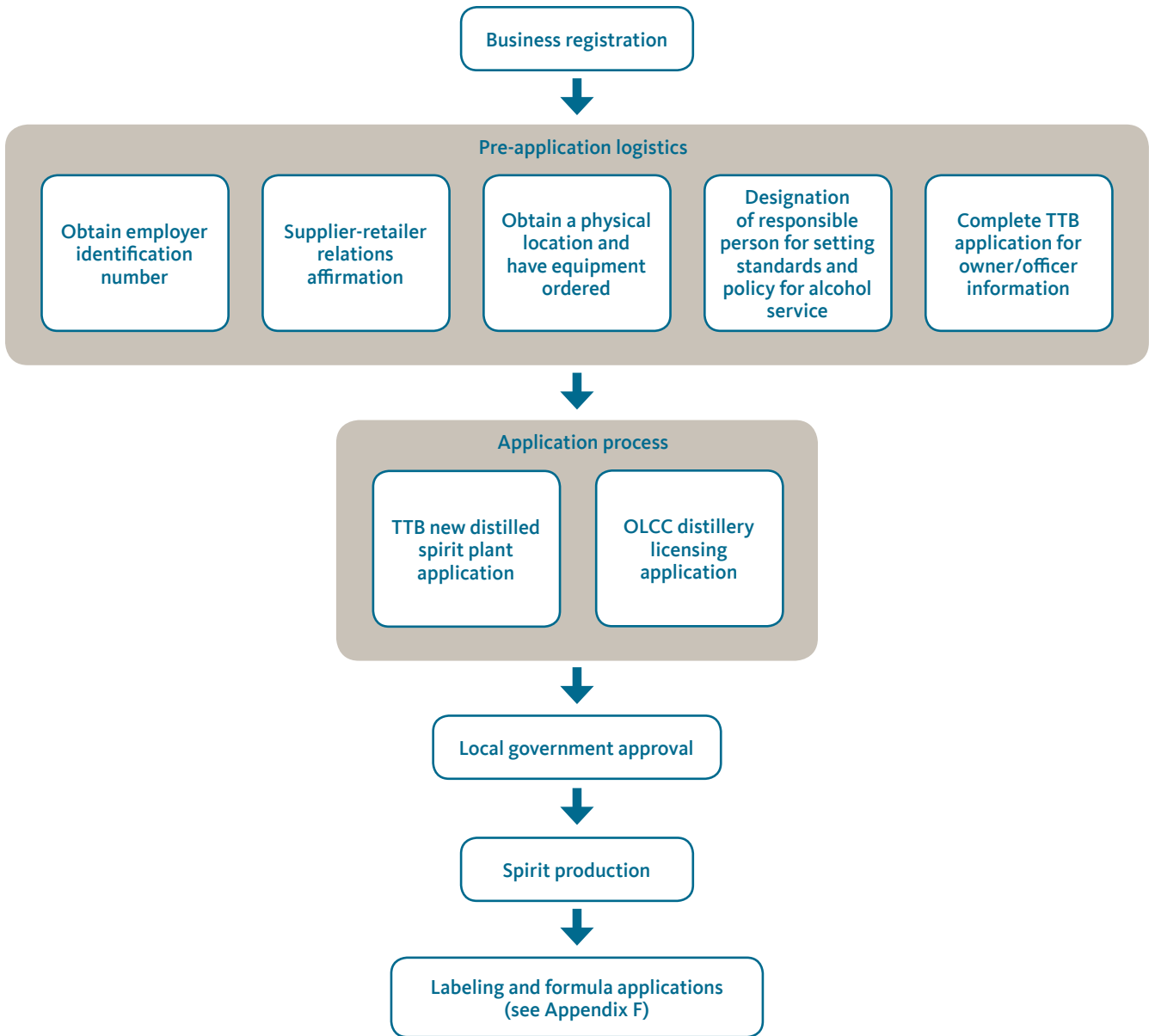
The Alcohol and Tobacco Tax and Trade Bureau (a bureau of the United States Department of Treasury) regulates and registers ethanol production facilities. The Code of Federal Regulations (CFR) Title 27: Alcohol, Tobacco and Firearms Part 19: Distilled Spirits Plants specifies the regulations that apply to the licensing of distilled spirits plants (DSP). Distilled spirit plants are classified into four categories: beverage, industrial, industrial and beverage, and experimental. The information in this guide applies to the DSP “beverage” classification.

The Oregon Liquor Control Commission (OLCC) regulates statewide production, distribution, and commerce related to distilled spirits. While this guide is primarily aimed at Oregon-based distillers, sections concerning the Alcohol and Tobacco Tax and Trade Bureau (TTB) may be useful to prospective distillers in other states.

One challenge related to setting up a new distillery plant is registering your business and getting the proper permits. This guide aims to clarify that process and lay out the steps you need to take (Figure 1, page 2).

Figure 1. Business Structure Application Requirements

Items in shaded boxes can be completed simultaneously



Business registration

Before beginning the TTB and OLCC applications for a new distilled spirits plant, you need to register your company and its trade name with the Oregon Secretary of State's office, which has to approve your company to conduct business. In Oregon, registration can be done at the Oregon Secretary of State website at:

<http://sos.oregon.gov/business/Pages/default.aspx>

Rules for trade names

When registering your company name, keep in mind that the TTB has certain rules in place regarding trade names. To meet federal requirements, your company name:

- Must not use prohibited geographical names or references, refer to famous landmarks or individuals, or use other language that could imply approval or endorsement by some level of government;
- Must not imply any health or physical benefits or effects, and does not refer to the strength of the product;

Figure 2. Business Structure Application Requirements

Shaded boxes indicate required application items for each type of business structure

Requirements	Sole proprietor	Partnership	LLC	Corporation
Bond form				
Partnership agreement				
Articles of organization and/or certificate of organization				
Articles of incorporation and/or certificate of incorporation				
OLCC limited partnership questionnaire				
OLCC limited liability company questionnaire				
OLCC corporation questionnaire				
Lease agreement* or proof of property ownership				
Source of funds documentation				
Diagram of plant layout				
Signing authority authorization (stated within partnership agreement or partnership resolution or signing authority for corporate officials)				
Signing authority authorization (resolution or articles of incorporation or signing authority for corporate officials)				

* Lease agreement must authorize distilling or other DSP operations

- Must not contain “Inc.,” “Incorporated,” “Corporation,” “LLC,” or any similar wording (unless the state requires such wording), suggesting it is the legal name of the company (however, the word “Limited” is allowed);
- Must not represent the proprietor as a distiller, rectifier, wine producer, brewer, or bottler of distilled spirits, wine, or beer, when they are not; and
- Must not contain obscene or indecent wording or language.

Business structure

Your distilled spirits plant can be structured as a sole proprietor, partnership, LLC, or corporation. Each business structure has different legal requirements, outlined broadly in Figure 2. For more specific information see “Required Documents for TTB New Distilled Spirits Plant Application,” page 5.

Pre-application logistics

After you have registered the business with the Oregon Secretary of State’s office, there are five tasks you need to complete before starting your TTB and OLCC applications. These tasks are:

- Getting an employee identification number
- Completing a supplier-retailer relations affirmation

- Obtaining a suitable location and equipment
- Designating a responsible person for setting standards and policies for alcohol servers
- Completing the TTB application for owner/officer information

You can complete these tasks simultaneously.

Employee identification number

After the company has been established, you can get an employer identification number (EIN) from the Internal Revenue Service (IRS). The IRS issues EINs for tax administration purposes; EINs are not intended for use with other activities (e.g., tax lien auctions or sales, lotteries, etc.). To obtain an EIN, fill out a Department of Treasury Internal Revenue Service Form SS-4 (see Appendix A, page 13) or apply online at:

<https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>

OLCC Supplier-Retailer Relations Affirmation

This is a statement that each OLCC liquor license applicant has read the supplier-retailer relations guidelines. The affirmation requires the registered trade name of the business, address of the business, and the name and signature of each liquor license applicant.

These guidelines and the affirmation can be found on the OLCC website at:

<http://www.oregon.gov/olcc/docs/publications/supplierretailerguidelines.pdf>

<http://www.oregon.gov/olcc/docs/publications/SupplierRetailerAffirmation.pdf>

Distillation site and equipment

The application for a new distilled spirits plant requires that you complete on-site construction and order equipment. On the application, you need to supply specific information about the equipment. Be sure to examine 27 CFR §19.52 (which outlines restrictions on distilled spirits plant locations) and 27 CFR §19.75 (which states what information is needed for major equipment). The TTB distilled spirits plant application also requires a physical description and diagram of the site. For more information, see “Required documents for TTB New Distilled Spirits Application,” page 5.

Designation of a person responsible for setting standards and policies for alcohol servers

If you want to offer on-site tasting, an individual must be designated to set standards and policies for alcohol servers. This individual and all alcohol servers must have a service permit. This can be achieved by taking an OLCC-approved alcohol server education class, filling out the service permit application, and having it signed by an OLCC employee, alcohol server education course instructor, or manager designated to set standards and policies for alcohol servers.

Once this is complete, mail the Service Permit Application with appropriate payment (indicated on the application) to the OLCC at: OLCC Permits, PO Box 22297, Milwaukie OR 97269-2297. You can use a copy of the application as a 45-day temporary permit. The Service Permit Application and a list of OLCC approved alcohol server education classes can be found at:

http://www.oregon.gov/olcc/docs/service_permits_and_server_ed/sp_application_online.pdf

http://www.oregon.gov/olcc/pages/service_permits.aspx#Service_Permit_Application_and_Instructions

An individual in your organization should obtain a service permit or submit the service permit application(s) before you complete the limited partnership, limited liability company, or corporation questionnaire.

Application for officer/owner information

You can find the Officer/Owner Information Application on the TTB online permits system. The TTB strongly recommends using the online electronic system instead of paper forms. This system is used for

the Officer/Owner Information Application and the Application for New Distilled Spirits Plant. You can register for the system at:

<https://www.ttb.gov/ponl/permits-online.shtml>

Once registered, you can access the Application for Officer/Owner Information. A short tutorial on online permits can be found at:

https://www.ttb.gov/ponl/permits_online-tutorials.shtml

The Officer/Owner Information Application must be completed for every stockholder with 10% or more holding in the company, sole proprietor, partner, officer, director, trustee, member and/or managing member, as well as any company or trust holding ownership.

Checklist for completing the Officer/Owner Information Application

- Commercial credit reporting agency
- Residence information
- Employment history
- Bank reference
- Character-business references

Completing the Officer/Owner Information Application

You will need to gather a range of information to complete the Officer/Owner Information Application. It can be helpful to have this information handy before beginning the online application process. The following is required information for each section of the application (in the order it appears on the TTB online system).

- Applicant name and address: Name; position; home address; phone number; social security number; gender; birth date
- Applicant information: Common name used; permit tracking number (if known); any other names used; birthplace; felony information; disapproval of application related to alcohol; amended permit or registration; commercial credit reporting agency name, address and rating details; physical description of applicant; IRS violations related to alcohol, tobacco, or firearms (ATF); citizenship status; if you have ever been connected with a federal permit for ATF-related information (permit number, address); declaration of employment related to ATF
- Residence information
 - Non-citizen or lived outside of the United States in last 10 years: 10 years of dates and addresses of each residence
 - U.S. citizens: 5 years of dates and addresses of each residence

- Employment information: Time frame of employment; name of employer; address of employer (includes self-employment)
- Bank reference information (a minimum of one bank reference is required): Name of bank; name and title of individual providing reference; bank address and phone number of individual providing reference
- Character-business references (a minimum of four character-business references are required): The references should be able to speak to your character and business responsibility; references cannot include relatives or employers previously listed in other areas of the application
- Declaration attesting to validity and truthfulness of the document

After submitting a completed application, you will receive an officer/owner information tracking number.

TTB and OLCC application process

The TTB new distilled spirits plant and OLCC liquor licensing applications can be completed simultaneously. A wholesaler's permit is not necessary unless you intend to sell spirits, beer, or wine you do not manufacture.

Checklist for documentation for the TTB New Distilled Spirit Plant Application

- Lease agreement or proof of property
- Source of funds
- Diagram of plant or plan
- Organizational documents
- Meeting minutes (if applicable)
- Bond form (if applicable)
- Signing authority form (if applicable)
- Power of attorney (if applicable)

Required documents for TTB New Distilled Spirits Plant Application

The TTB New Distilled Spirit Application can be downloaded; however, the TTB highly recommends that you complete the online version instead of submitting a paper copy.

The TTB distilled spirit plant permit application requires you to upload specific documents and forms. The process will go more smoothly if you fill out and collect the following items prior to starting the online application.

- **Lease agreement or proof of property**—The lease agreement or proof of property for your DSP production, storage, or processing facility. Lease

agreement must authorize distilling or other DSP operations by the lessor.

- **Source of funds**—Amount invested and source of funds must be provided for each stockholder with 10% or more holding in the company, sole proprietor, partner, officer, director, trustee, member and/or managing member, as well as any company or trust holding ownership.

The proof of funds you provide will depend on the source of the funds:

- Loan: Copy of promissory note or statement from entity providing loan
- Funds/earnings: Three months of statements; if jointly owned, submit a signed letter stating that the other party has no control or ownership of the business
- Gift: Letter from the donor(s) stating they hold no interest in the business

- **Diagram of plant or plan**—The diagram should denote the bonded premises (area where distilled spirit operations are to be authorized) and general premises. It should also show non-bonded areas and the tasting area to ensure that there is adequate separation between the two. The diagram should accurately convey the boundaries and descriptions provided in the distilled spirits plant information section. The diagram should include detailed dimensions and identify major equipment, loading docks, doors, windows, etc.
- **Organizational documents**—The organizational documentation required depends on the type of organization. The requirements, listed below, are referenced in 27 CFR §19.677.

Corporate documents

- The corporate charter or a certificate of corporate existence or incorporation
- A list of officers and directors with their names and addresses (other than officers and directors who will have no responsibilities in connection with the operation of the DSP)
- A statement showing the number of shares of each class of stock or other basis of ownership (authorized and outstanding), and the voting rights of the respective owners or holders
- A list of the offices or positions, the incumbents of which are authorized by the articles of incorporation or the board of directors to act on behalf of the proprietor or to sign the proprietor's name

Limited Liability documents

- Copy of articles of organization
- Operating agreement
- Names and addresses of all members and managers

Partnership documents

- Articles of association or partnership, or certificate of partnership

Sole proprietor

- No documentation required

- **Meeting minutes**—The certified minutes of the board of directors' meetings, which identify individuals authorized to have signing authority for the company
- **Bond Form** (if applicable)—The Bond Form is TTB F 5110.56 (See Appendix B, page 15). Only required if you expect tax liability to exceed \$50,000 in a calendar year.
- **Signing Authority Form** (if applicable)—The Signing Authority Form is TTB F 5100.1. Only required if you designate an employee to have signing authority or act on behalf of the company.
- **Power of Attorney Form** (if applicable)—The Power of Attorney Form is TTB F 5000.8. Only required if you designate a non-employee to have signing authority or act on behalf of the company.

TTB New Distilled Spirit Plant Application contents

The online TTB new distilled spirits plant application is divided into three main sections—contact and location, application information, and business information. Each section has several subsections. The following describes the items in the application (in the order they appear), and the information you will need to complete each item.

- Contact and location
 - Application contact information
 - Application contact: Must be registered user of TTB's online permits system and have signature authority
 - Business headquarters: Legal business name as registered with the IRS; individuals use their given name
 - Address where mail is received for the business
 - Officer/owner information application (see page 4): Officer, owner, member, or partner of the applicant entity; separate application for each person; home address required
- Business headquarter information
 - Business name, address, phone number, IRS-issued employer identification number (see page 3)
 - Address where approved operation will take place, premises contact name, and premises contact phone number
 - Address where mail is received

• Application Information

Reason for the application

- For new business: Define type of organization; state in which the business is incorporated; start date (upon TTB approval)
- For change in ownership: Permit number of predecessor; operating permit number; registry number; and name and address of predecessor; define type of organization, date of change
- For change in general partnership: Permit number of predecessor; operating permit number; registry number and name and address of predecessor; define type of organization, date of change

Owner background information

- Has applicant been denied or had a permit revoked or suspended? Provide details about felonies: details, dates, places, final disposition.

Officer/ownership information

This information must be provided for every stockholder with a holding of 10% or more, sole proprietor, partner, officer, director, trustee, member and/or managing member, as well as for any company or trust holding ownership.

- Name (company name or trust name, if applicable); officer/owner info tracking number, description of duties or relation to proposed operation; percent voting-stock interest, investment in business; name, city and state of your financial institution; source of funds; how source of funds are submitted. Note: for source of funds, provide the following documentation:
 - Loan: Copy of promissory note or statement from entity providing loan
 - Funds/earnings: Three months of statements
 - Gift: Letter from donor with name and statement expressing no interest in business)

Alternation of premises

This is defined as multiple operations alternating use of the equipment and premises that is operated by the same person (Example: A bonded wine premises/DSP/ brewery/tax-paid wine bottling house). Only complete this section of the application if applicable to your proposed operation.

- Required information: Identify the alcohol-related commodity type which you will be alternating
- Additional information requested: Permit number, registry number, operating number, and application tracking number of identified operation

Alternation of proprietors

This describes an arrangement in which two or more people take turns using the physical premises (Example: Rental of space and equipment from a host). Only complete this section of the application if applicable to your proposed operation.

- Required information: Type of arrangement (tenant, host, or co-tenant), name
- Additional information requested: Permit numbers, registry number, operating permit number

Signing authority

This section provides information on each employee who has signing authority or can act on behalf of the company. If applicable, complete and upload the Signing Authority for Corporate and LLC Officials Form (TTB F 5100.1). See Appendix C, page 19.

- Required information: Name or title; source of authority; type of authority; if source of authority is from board meeting, then type of board meeting; date of meeting; if limited, in what capacity; effective date of signing authority
- Additional information requested: Is this person authorized to prepare and review formula submissions and label submissions? Is this person authorized to submit labels and formulas for approval? Does this person have a certificate of label approval (COLA) online or formulas online account? Address, phone number, email

Power of attorney information

This provides information on each non-employee who has signing authority or can act on behalf of the company. If applicable, complete and upload Power of Attorney Form (TTB F 5000.8). See Appendix D, page 20.

- Required information: Name, phone number, address; type of power of attorney; effective date; if limited, specific powers to be conferred
- Additional information requested: Is this person authorized to prepare and review formula submissions and label submissions? Is this person authorized to submit labels and formulas for approval? Does this person have a COLAs online or formulas online account?

Trade names/operating name

All trade names must be registered with the state of Oregon.

- Required information: Type of trade name/ operating name; name on account, if bottling for someone else; permit number or registry number; letter from owner of trade name expressing permission for you to bottle on their account

Request for variance

This request may be filled out to seek legal approval from the TTB to deviate from CFR 27 part 19.

- Required information: Requested variance, alternate method or special permission type, description of request

Business information

DSP operation type

- Required information: Type of operation, declaration of tax liability exceeding \$50,000

DSP beverage operation information

- Required information: Type of operation (distiller, warehouseman, processor-rectifier, processor-bottling); total daily output in proof gallons (1 gallon of 50% ethyl alcohol by volume at 60°F with ethanol having a specific gravity of 0.7939 at 60°F); step-by-step description, starting with raw materials to production gauge (mass flow meter used to measure the amount of alcohol produced for tax and labeling purposes); description of plan to store bulk spirit; total volume that can be stored in wine gallons (231 in³); description of storage for packaged spirits, and whether the spirit will be redistilled

DSP information

- Required information: Description of tract of land, using directions and distance; description of bonded premises; description of general premises (e.g., storage of tax paid spirits, offices, lunch rooms, rest rooms, general storage areas) and non-bonded areas. Specify if only a portion of a building is used for plant operations and provide a description; if premises are alternating, provide a description. Declare maximum amount of proof gallons produced (stored or in transient bonded premises) during 15-day period; describe physical security at distilled spirits plant including guard personnel and alarm systems; certify locks used meet specifications required in the 27 CFR § 19.192 (f); list people (position and title) responsible for custody and access to keys for lock.

Certified Lock specifications

27 CFR § 19.192 (f): (i) Corresponding serial number on the lock and on the key, except for master key locking systems; (ii) case-hardened shackle at least ¼ inch in diameter, with heel and toe locking; (iii) body width of at least 2 inches; (iv) captured key feature (key may not be removed while shackle is unlocked); (v) a tumbler with at least 5 pins; and (vi) a lock and key containing no biting data.

TTB-provided examples of descriptions and 27 CFR § 19.192 (f)

Land tract description example

“From the point of beginning, proceed southwest 43.5 to the northeast corner of the building (Premises #1). From the northeast corner of Premises #1, proceed west 26.5 feet, to the northwest corner of the building. Turn left 90 degrees and proceed south 51 feet to the southwest corner of the building. Turn left 90 degrees and proceed east 12 feet to the southeast corner of the building. Turn right 90 degrees and precede south 5 feet. Turn left and proceed east 14.5 feet to the southeast corner of the building. Turn left 90 degrees and proceed north 51 feet back to the point of beginning.”

Bonded premises description example

“The distillery premises consist of two buildings located within an industrial zoned complex. Starting at business entrance doorway #1, head west 15 feet, then south 15 feet, then east, 15 feet then north 15 feet back to doorway #1. Moving 20 feet south, begin again at business entrance doorway #2, head west 15 feet, then north 18 feet, then east, 15 feet, then south 18 feet back to doorway #2. Both buildings are single level and constructed of wood, concrete block, and stone with a poured concrete floor. The first building is 23 feet x 43 feet. The second building is 22 feet x 42 feet and will be used to store barrels for aging.”

Environmental information

- Required information: Number of employees, address of premises, name of gas and electric company, descriptions of air pollution control equipment, description of solid and liquid wastes produced and means of disposal, operational noise sources

Water quality information

- Required information: Operation description; identify and specify time period in which any waste is released into navigable waters; describe means to monitor characteristics of this discharge

Distilled spirits plant equipment

All stills, tanks, and condensers used in production, storage, and processing of distilled spirits must be listed. All stills must be registered with the TTB in accordance to 27 CFR § 19.79. Stills and equipment listed in this application are considered registered upon application approval.

- Required information: Type of equipment, capacity, type of still, serial number, intended use

Distilled spirits plant bond

A bond with sufficient coverage is only required if you expect tax liability to exceed \$50,000 in a calendar year. Distilled Spirits Bond Form (TTB F 5110.56) must be completed and uploaded into the application if a bond is required. See Appendix B, page 15.

The operation's tax liability should be estimated. Tax liability of \$50,000 dollars equates to the removal and sale of approximately 1,950 cases of 750 ml bottles of 40% ABV (80 proof) spirit. This was calculated based

upon the 26 U.S. Code § 5001 - Imposition, rate, and attachment of tax, which states:

“There is hereby imposed on all distilled spirits produced in or imported into the United States a tax at the rate of \$13.50 on each proof gallon and a proportionate tax at the like rate on all fractional parts of a proof gallon.”

If withdrawal coverage is required, then a unit bond is needed to cover operations and withdrawals. Refer to 27 CFR § 19.166 (See Appendix F, page 26). If tax liability will not exceed \$50,000, no bond is required.

If a bond is needed:

- You can provide cash as collateral. All that is needed as documentation is the check number, which can be a personal or cashier's check or a money order.
- You can purchase a surety bond from a Department of Treasury certified company. Below is the website listing all Department of Treasury certified companies (most common choice):
https://www.fiscal.treasury.gov/fsreports/ref/suretyBnd/c570_a-z.htm
- A treasury note can be transferred to the TTB, and interest can be collected from the security. The transfer procedure is detailed in the website at:
https://www.ttb.gov/main_pages/transferring-securities.shtml

- Required information: Type of bond, bond kind, effective date of bond, bond category (cash, surety, treasury note), operations coverage, withdrawal coverage, amount of bond, execution date (the date bond was signed)

- Required information for surety bond: Surety name, bond number, surety power of attorney
- Required information for a treasury note: Committee on Uniform Securities Identification Procedures (CUSIP) number, interest rate, maturity date, issue date

Related bonds and permits

Only fill out this section if applicable to your proposed operation.

- Required information: Commodity type, bond form, bond category, surety name (if applicable)
- Additional requested information: Amount of bond, permit number, registry number

Transfer in bond

Only fill out this section if applicable to your proposed operation.

- Required information: Serial number (for example, if transfer record of the facility shipping spirits in bond is completed on January 2014 then the serial number would be written as 2014-1), permit/registry number of shipper, address of shipper, company name of shipper, whether you have maximum bond coverage, amount of coverage, quantity of spirits transferred, name and title of authorized person for receiving plant

Consent of surety

This section should not be applicable to new operations. Only fill out this section if applicable to your proposed operation. A TTB F 5000.18 Consent of Bond (Consent of Surety) must be completed and uploaded if applicable.

- Required information: Form number of the bond you are changing, reason for the consent, dollar amount of the bond that is being changed, the effective date of the change, description of the change

Statements and documents

This section of the application provides a list of documents you need to submit based on the contents of your application. It will also specify the correct method for submitting the required information.

Attachment

Required documentation is uploaded in this portion of the application.

Review and submit

After the TTB application is complete, you will be asked to review and submit the application. Once submitted, you will be given a permanent tracking number. The tracking number will end with an “O,” which stands for “Original.” A TTB officer may be in contact with you to ask for clarification or request

additional information. Once the application is deemed acceptable, it is forwarded for approval. Once approved, all documentation will be available online. The approval process time can take over 6 months.

Checklist for completing the Officer/Owner Information Application

- Lease agreement or proof of property ownership
- State of funding sources
- Floor plan
- Liquor license application
- Business information
- Individual history
- Limited partnership questionnaire (if applicable)
- Limited company questionnaire (if applicable)
- Corporation questionnaire (if applicable)
- Franchise agreement summary (if applicable)
- Distillery Tasting Privilege Application (optional, required for distillery wishes to sell directly to public whether tasting are provided or not)

Required documentation for OLCC

The OLCC application does not have a separate form. Instead, the application process involves collecting specific information about your operation, completing certain forms, and either mailing or delivering this information to the OLCC office that serves the city or county where your business will be located.

The licensing fee (which is indicated on the application) will be collected after licensing has occurred. Do not send the licensing fee with the application packet.

OLCC office locations can be found at:

http://www.oregon.gov/olcc/Pages/OLCC_Offices_ByCounty.aspx

OLCC Distillery license information can be found at:

http://www.oregon.gov/olcc/LIC/pages/distillery_license.aspx

Lease agreement or proof of property ownership

You will need to submit a copy of the lease agreement, sales agreement, or other proof of property ownership. It may be a signed or draft document.

Statement of funding sources

Each person who invests money in the licensed business must provide a statement of funding sources with the application packet. These individuals must state

the total amount of money invested and the origins of the money (which should include the full name of bank, lender, or person from whom they received the money). Each individual must sign and swear the provided information is accurate.

Floor plan

The floor plan must be submitted on the OLCC floor plan form. A different form must be used for each floor. The plan must show all areas of your premises and each area must be specified. Location of furniture must be accurately represented. If you will be providing tastings, the location of the tasting area must be shown; the tasting area must be out of the bonded area.

Liquor license application

License type (distillery) must be indicated. List all applicants applying for the license, which includes any person or legal entity that may exert control over the business, may incur debt or similar obligations related to the business, may enter the business into contractual obligations, or is the lessee of the property that is to be licensed. Applicant must state if business is already licensed by the OLCC. The business's trade name, location, and contact information is required. A contact person for the application must be stated, along with their contact information and address. Each applicant must sign the application to acknowledge that they understand that marijuana is not to be sold, given away, or used on the licensed premises.

Business information

The trade name and business location must be indicated. The operation's hours, type of entertainment, hours during which music will occur (live or with a deejay), and each section's seating count must also be provided.

Individual history

OLCC Individual History Form must be completed by all individuals or entities listed on the liquor license application. If the business is a corporation, then any person with responsibility over operation of business (president, vice president, treasurer, etc.), director with 3% or more voting stock, person with 10% or more issued stock has to complete an Individual History Form. If the business is an LLC, then managing members and any member who owns 10% or more of the company has to complete an Individual History Form.

Provide your full name, social security number, date of birth, phone number, driver license information, address, name of spouse or domestic partner and whether your spouse or domestic partner will be involved with the business. Other items related to your history are: any driving convictions related to driving without a license or insurance within the last

10 years, conviction of any felony within the last 10 years, participation in drug or alcohol diversion programs in lieu of conviction, possession of a liquor or recreational marijuana license within Oregon or another state, and liquor licensing history (including if the license was denied or cancelled). In addition, you need to specify if you are applying for a full on-premises, limited on-premises, off-premises, or brewery-public house license. Information regarding the ownership status of all applicants in businesses that manufacture, wholesale, or distribute alcohol in the United States; ownership of other full on-premises, limited on-premises, off-premises, or brewery-public house licenses must all be provided.

Limited partnership questionnaire (if applicable)

The partnership must be approved by the Oregon Secretary of State to conduct business in Oregon. You have to provide the partnership name, year filed, and business location. You also need to provide a list of all partners and type of partnership (general or limited), percentage of ownership, who the server education designee is, and their date of birth. If a general partner is a legal entity, a flowchart should be included to demonstrate the legal entity relationship. A general partner must sign the forms.

Limited liability company questionnaire (if applicable)

The Limited Liability Company (LLC) must be approved by the Oregon Secretary of State to conduct business in Oregon. The information required includes LLC name and year filed, business trade name and location, list of all members and percentage of membership interest, officers (individually listed on a separate paper), and the name of server education designee and their date of birth. If a member is another legal entity who controls 10% or more of membership, a separate questionnaire must be filled out (LLC or corporate). A managing member must sign the forms.

Corporation questionnaire (if applicable)

The corporation must be approved by the Oregon Secretary of State to conduct business in Oregon. Required information includes corporation name and year of incorporation, trade name and location of business, list and title of all corporate officers, list of board of directors, list of stockholders and number of shares held, number of stocks issued and unissued, amount of shares authorized to be issued, and the name of server education designee and their date of birth. A corporate officer must sign the form.

Franchise Agreement Summary (if applicable)

The information required includes applicant name (which is the person or legal entity listed on the liquor license application form), business's trade name and

location, franchisor name, a list of all franchisees (all people or companies which will operate the business), expenses related to the franchise (including inventory cost, initial fees, and royalty fees), loan agreement of franchisor (if applicable), and rental/leasing agreement of franchisor (if applicable). A copy of the franchise agreement or letter of intent is also required.

Distillery Tasting Privilege Application (optional)

If the owners of a distillery wish to provide tasting and/or sell factory sealed containers directly to the public, they must be approved by the OLCC. Once a distillery is approved to provide tastings by the OLCC, the owners may contact the OLCC Retail Service Division at 503-872-5020 or via email at OLCC.RetailServices@state.or.us to seek approval to sell factory-sealed containers directly to consumers at the licensed distillery premises.

The information required on the Distillery Tasting Privilege Application includes licensee name and trade name, address of licensed premises, address of other premises where tastings will be provided (up to 5 other premises), and means to distinguish the tastings provided to trade visitors versus the tastings provided to the public.

Also required is a floor plan form for Oregon distillery tasting privilege for each location providing tastings (which includes licensee name, trade name, and business address) and a sketch that includes all rooms that make up the distillery licensed premises and labeled, identified tasting areas.

Review and submit

Once completed, mail or deliver the OLCC application packet to the OLCC office that covers the city or county where the business is intended to be located. Do not send the licensing fee with the initial application; this fee will be collected at a later date. An OLCC employee will contact you about the license fee and will give you documentation to take to the local government for review and recommendations. Local governments will generally not review your application until it is approved by the OLCC.

Additional DSP processor requirements

Once the federal permit, Oregon license, and local approval is obtained, you can begin spirit production and start the label and formula approval process, which is outlined in Appendix F (page 26).

After obtaining a federal certificate of label approval (COLA) and a formula approval (if necessary) has been obtained, you can begin the process of getting approval to sell by the bottle in Oregon. This process is briefly outlined in Appendix G (page 29) along with a link to an OLCC guide that describes the privileges and requirements for Oregon distillery licensee.

Information in this guide was sourced from the TTB website, OLCC website, and 27 CFR part 19.

Appendices

The following forms and definitions are provided for reference. Because this information can change, be sure to check the TTB and OLCC websites for the most updated resources before applying for your distilled spirits plant license.

Appendix A: Employer Identification Number SS-4

Form **SS-4**
(Rev. January 2010)

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

OMB No. 1545-0003

Department of the Treasury
Internal Revenue Service

▶ See separate instructions for each line. ▶ Keep a copy for your records.

EIN

	1 Legal name of entity (or individual) for whom the EIN is being requested	
Type or print clearly.	2 Trade name of business (if different from name on line 1)	3 Executor, administrator, trustee, "care of" name
	4a Mailing address (room, apt., suite no. and street, or P.O. box)	5a Street address (if different) (Do not enter a P.O. box.)
	4b City, state, and ZIP code (if foreign, see instructions)	5b City, state, and ZIP code (if foreign, see instructions)
	6 County and state where principal business is located	
	7a Name of responsible party	7b SSN, ITIN, or EIN
8a Is this application for a limited liability company (LLC) (or a foreign equivalent)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
8b If 8a is "Yes," enter the number of LLC members	▶	
8c If 8a is "Yes," was the LLC organized in the United States?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
9a Type of entity (check only one box). Caution. If 8a is "Yes," see the instructions for the correct box to check.		
<input type="checkbox"/> Sole proprietor (SSN) _____	<input type="checkbox"/> Estate (SSN of decedent) _____	
<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Plan administrator (TIN) _____	
<input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____	<input type="checkbox"/> Trust (TIN of grantor) _____	
<input type="checkbox"/> Personal service corporation	<input type="checkbox"/> National Guard <input type="checkbox"/> State/local government	
<input type="checkbox"/> Church or church-controlled organization	<input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government/military	
<input type="checkbox"/> Other nonprofit organization (specify) ▶ _____	<input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises	
<input type="checkbox"/> Other (specify) ▶ _____	Group Exemption Number (GEN) if any ▶ _____	
9b If a corporation, name the state or foreign country (if applicable) where incorporated	State _____	Foreign country _____
10 Reason for applying (check only one box)		
<input type="checkbox"/> Started new business (specify type) ▶ _____	<input type="checkbox"/> Banking purpose (specify purpose) ▶ _____	
<input type="checkbox"/> Hired employees (Check the box and see line 13.)	<input type="checkbox"/> Changed type of organization (specify new type) ▶ _____	
<input type="checkbox"/> Compliance with IRS withholding regulations	<input type="checkbox"/> Purchased going business	
<input type="checkbox"/> Other (specify) ▶ _____	<input type="checkbox"/> Created a trust (specify type) ▶ _____	
<input type="checkbox"/> Other (specify) ▶ _____	<input type="checkbox"/> Created a pension plan (specify type) ▶ _____	
11 Date business started or acquired (month, day, year). See instructions.	12 Closing month of accounting year	
13 Highest number of employees expected in the next 12 months (enter -0- if none). If no employees expected, skip line 14.	14 If you expect your employment tax liability to be \$1,000 or less in a full calendar year and want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability generally will be \$1,000 or less if you expect to pay \$4,000 or less in total wages.) If you do not check this box, you must file Form 941 for every quarter. <input type="checkbox"/>	
Agricultural	Household	Other
15 First date wages or annuities were paid (month, day, year). Note. If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year) ▶		
16 Check one box that best describes the principal activity of your business.		
<input type="checkbox"/> Construction	<input type="checkbox"/> Rental & leasing	<input type="checkbox"/> Transportation & warehousing
<input type="checkbox"/> Real estate	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Finance & insurance
<input type="checkbox"/> Health care & social assistance	<input type="checkbox"/> Accommodation & food service	<input type="checkbox"/> Wholesale-agent/broker
<input type="checkbox"/> Wholesale-other	<input type="checkbox"/> Retail	<input type="checkbox"/> Other (specify) ▶ _____
17 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.		
18 Has the applicant entity shown on line 1 ever applied for and received an EIN? <input type="checkbox"/> Yes <input type="checkbox"/> No		
If "Yes," write previous EIN here ▶ _____		
Third Party Designee	Complete this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.	
	Designee's name	Designee's telephone number (include area code)
	Address and ZIP code	Designee's fax number (include area code)
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.		Applicant's telephone number (include area code)
Name and title (type or print clearly) ▶ _____		Applicant's fax number (include area code)
Signature ▶ _____	Date ▶ _____	

Do I Need an EIN?

File Form SS-4 if the applicant entity does not already have an EIN but is required to show an EIN on any return, statement, or other document.¹ See also the separate instructions for each line on Form SS-4.

IF the applicant...	AND...	THEN...
Started a new business	Does not currently have (nor expect to have) employees	Complete lines 1, 2, 4a-8a, 8b-c (if applicable), 9a, 9b (if applicable), and 10-14 and 16-18.
Hired (or will hire) employees, including household employees	Does not already have an EIN	Complete lines 1, 2, 4a-6, 7a-b (if applicable), 8a, 8b-c (if applicable), 9a, 9b (if applicable), 10-18.
Opened a bank account	Needs an EIN for banking purposes only	Complete lines 1-5b, 7a-b (if applicable), 8a, 8b-c (if applicable), 9a, 9b (if applicable), 10, and 18.
Changed type of organization	Either the legal character of the organization or its ownership changed (for example, you incorporate a sole proprietorship or form a partnership) ²	Complete lines 1-18 (as applicable).
Purchased a going business ³	Does not already have an EIN	Complete lines 1-18 (as applicable).
Created a trust	The trust is other than a grantor trust or an IRA trust ⁴	Complete lines 1-18 (as applicable).
Created a pension plan as a plan administrator ⁵	Needs an EIN for reporting purposes	Complete lines 1, 3, 4a-5b, 9a, 10, and 18.
Is a foreign person needing an EIN to comply with IRS withholding regulations	Needs an EIN to complete a Form W-8 (other than Form W-8ECI), avoid withholding on portfolio assets, or claim tax treaty benefits ⁶	Complete lines 1-5b, 7a-b (SSN or ITIN optional), 8a, 8b-c (if applicable), 9a, 9b (if applicable), 10, and 18.
Is administering an estate	Needs an EIN to report estate income on Form 1041	Complete lines 1-6, 9a, 10-12, 13-17 (if applicable), and 18.
Is a withholding agent for taxes on non-wage income paid to an alien (i.e., individual, corporation, or partnership, etc.)	Is an agent, broker, fiduciary, manager, tenant, or spouse who is required to file Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	Complete lines 1, 2, 3 (if applicable), 4a-5b, 7a-b (if applicable), 8a, 8b-c (if applicable), 9a, 9b (if applicable), 10, and 18.
Is a state or local agency	Serves as a tax reporting agent for public assistance recipients under Rev. Proc. 80-4, 1980-1 C.B. 581 ⁷	Complete lines 1, 2, 4a-5b, 9a, 10, and 18.
Is a single-member LLC	Needs an EIN to file Form 8832, Classification Election, for filing employment tax returns and excise tax returns, or for state reporting purposes ⁸	Complete lines 1-18 (as applicable).
Is an S corporation	Needs an EIN to file Form 2553, Election by a Small Business Corporation ⁹	Complete lines 1-18 (as applicable).

¹ For example, a sole proprietorship or self-employed farmer who establishes a qualified retirement plan, or is required to file excise, employment, alcohol, tobacco, or firearms returns, must have an EIN. A partnership, corporation, REMIC (real estate mortgage investment conduit), nonprofit organization (church, club, etc.), or farmers' cooperative must use an EIN for any tax-related purpose even if the entity does not have employees.

² However, do not apply for a new EIN if the existing entity only (a) changed its business name, (b) elected on Form 8832 to change the way it is taxed (or is covered by the default rules), or (c) terminated its partnership status because at least 50% of the total interests in partnership capital and profits were sold or exchanged within a 12-month period. The EIN of the terminated partnership should continue to be used. See Regulations section 301.6109-1(d)(2)(iii).

³ Do not use the EIN of the prior business unless you became the "owner" of a corporation by acquiring its stock.

⁴ However, grantor trusts that do not file using Optional Method 1 and IRA trusts that are required to file Form 990-T, Exempt Organization Business Income Tax Return, must have an EIN. For more information on grantor trusts, see the Instructions for Form 1041.

⁵ A plan administrator is the person or group of persons specified as the administrator by the instrument under which the plan is operated.

⁶ Entities applying to be a Qualified Intermediary (QI) need a QI-EIN even if they already have an EIN. See Rev. Proc. 2000-12.

⁷ See also *Household employer* on page 4 of the instructions. **Note.** State or local agencies may need an EIN for other reasons, for example, hired employees.

⁸ See *Disregarded entities* on page 4 of the instructions for details on completing Form SS-4 for an LLC.

⁹ An existing corporation that is electing or revoking S corporation status should use its previously-assigned EIN.

Appendix B: Distilled Spirits Bond Form TTB F 5110.56

OMB No. 1513-0125 (08/31/2013)

<p>DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU DISTILLED SPIRITS BOND <i>(See instructions on Page 4)</i></p>	<p>TYPE OF BOND PER 26 U.S.C. 5173 and 5181 <i>(Check applicable box 1, 2, 3, OR 4)</i></p> <p><input type="checkbox"/> 1. OPERATIONS <i>(Select (a), (b), or (c) below)</i></p> <p style="padding-left: 20px;"><input type="checkbox"/> (a) ONE PLANT BOND</p> <p style="padding-left: 20px;"><input type="checkbox"/> (b) ADJACENT WINE CELLAR BOND</p> <p style="padding-left: 20px;"><input type="checkbox"/> (c) AREA BOND</p> <p><input type="checkbox"/> 2. WITHDRAWAL BOND</p> <p><input type="checkbox"/> 3. UNIT BOND</p> <p><input type="checkbox"/> 4. ALCOHOL FUEL PRODUCER BOND</p>
<p>PRINCIPAL/OBLIGOR (See instructions 2, 3, and 4.)</p>	<p>BOND KIND <i>(Select only one)</i></p> <p><input type="checkbox"/> ORIGINAL</p> <p><input type="checkbox"/> STRENGTHENING</p> <p><input type="checkbox"/> SUPERSEDING</p>
<p>ADDRESS OF BUSINESS OFFICE (Number, Street, City, State, ZIP Code)</p>	<p>AMOUNT OF BOND</p>
<p>EIN: _____</p>	<p>EFFECTIVE DATE</p>

BOND CATEGORY *(Select only one category (i.e. 'Surety,' 'Cash,' or 'Treasury Note/Bond') and complete corresponding items to right of selection)*

<input type="checkbox"/> SURETY:	SURETY NAME _____
	BOND NUMBER _____
<input type="checkbox"/> CASH	CHECK NUMBER(S) <i>(i.e. personal check, cashier's check, money order, etc.)</i> _____
<input type="checkbox"/> TREASURY NOTE/BOND**	NOTE/BOND CUSIP NO. _____
	NOTE/BOND INTEREST RATE _____ %
	NOTE/BOND MATURITY DATE _____
	NOTE/BOND ISSUE DATE _____

**This bond is secured by the Treasury collateral (T-Note) described above or by a T-Note resulting from reinvestment of the full proceeds from the T-Note described above. T-Note collateral reinvestment will automatically occur upon maturity unless the obligor notifies TTB in writing at least 45 days prior to the maturity date that the T-Note proceeds should not be reinvested and the obligor requests this bond be terminated.

BOND EXECUTION *(By signing this bond, you acknowledge and agree to the Terms of This Bond on page 3 of this form.)*

Witness our hands and seals this _____ day of _____, 20____. Signed, sealed and delivered in the presence of --

<p>SURETY NAME</p>	<p>PRINCIPAL/OBLIGOR NAME</p>
	<p>PRINCIPAL/OBLIGOR REPRESENTATIVE'S SIGNATURE</p> <p>By: _____</p>
SURETY REPRESENTATIVE SIGNATURE	PRINCIPAL/OBLIGOR REPRESENTATIVE'S PRINTED NAME/TITLE
SURETY REPRESENTATIVE PRINTED NAME & TITLE	SIGNATURE, WITNESS 1 <i>(If no seal)</i>
	SIGNATURE, WITNESS 2 <i>(If no seal)</i>

<p>Impress Surety Seal</p>		<p>CORPORATIONS/PARTNERSHIPS, OR LLC SEALS State in which Principal/Obligor organized: _____</p> <p>Impress Principal/Obligor's corporate or LLC seal or select the checkbox below</p> <p><input type="checkbox"/> The corporation/LLC has no seal.</p>	<p>Principal/ Obligor Seal</p>
------------------------------------	--	--	--

TERMS OF THIS BOND

The Type of Activity (distiller, warehouseman, processor, adjacent wine cellar, or alcohol fuel producer) and the premises covered by this bond are specified on page 2 of the bond and, if necessary, on an additional sheet appropriately identified and attached to this bond.

PURPOSE: The above principal has filed an application for registration of the distilled spirits plant(s) specified.

DEFINITIONS. Definitions pertinent to this bond:

PRINCIPAL. The proprietor of the distilled spirits plant premises covered by a surety bond

OBLIGOR. The proprietor of the distilled spirits plant premises covered by a collateral bond

COLLATERAL BOND. A bond secured by tangible assets such as cash or United States Treasury Bond or Note

CONDITIONS: The above principal/obligor and surety (sureties) are bound independently and jointly for the payment to the United States in the above amounts of lawful money of the United States. In this bond, the terms principal or surety include the heirs, executors, administrators, successors, and assigns of the principal/obligor or surety.

If this bond covers only withdrawals, the following clauses 4, 5, 6, and 7 do not apply.

If this bond covers only operations, the following clause 3 does not apply.

If this bond covers only alcohol fuel production operations, the following clauses 3 and 7 do not apply.

THE PRINCIPAL/OBLIGOR MUST:

- (1) Comply with all requirements of law and regulations, now or hereafter in force, relating to the activities covered by this bond;
- (2) Pay all penalties incurred and fines imposed for violations of law or regulations, now or hereafter in force, relating to the activities covered by this bond;
- (3) Pay all taxes (including any penalties and interest in respect of failure to file a timely return, or to pay such Tax when due) on distilled spirits withdrawn tax-determined from bonded premises imposed under 26 U.S.C. Chapter 51;
- (4) Pay all taxes (including any penalties and interest) imposed under 26 U.S.C. Chapter 51, including taxes on all unexplained shortages of bottled distilled spirits;
- (5) Comply with all requirements of law and regulations, now or hereafter in force, pertaining to all distilled spirits (including denatured spirits, fuel alcohol, and article) removed from or returned to the bonded premises free of tax;
- (6) With respect to distilled spirits withdrawn from the bonded premises without payment of tax as authorized by law, (a) comply with all requirements of law and regulations, now or hereafter in force relating thereto, and (b) as to said distilled spirits or any part thereof withdrawn, for example, for exportation, or for use on vessels or aircraft, or for transfer to a foreign-trade zone, or for transfer to a Customs bonded warehouse, or for research, development, or testing, and not so exported, used or transferred, or otherwise lawfully

disposed of or accounted for, pay the tax imposed thereon by law, now or hereafter in force, together with penalties and interest; and

- (7) As the proprietor of a bonded wine cellar, pay all taxes imposed by law, now or hereafter in force, (including any penalties and interest) for which he/she may become liable with respect to operation of the said bonded wine cellar, and all distilled spirits and wine now or hereafter in transit thereto or received thereat, and on all distilled spirits and wine removed therefrom, including wine withdrawn without payment of tax, on notice by principal, for exportation, or use on vessels or aircraft, or transfer to a Customs bonded warehouse, or transferred to a foreign-trade zone, and not so exported, used, or transferred, or otherwise lawfully disposed of or accounted for; provided, that up to \$500 of the operations coverage of a \$1,000 bond (\$1,000 operations coverage of a bond of \$2,000 or more) may be applied to taxes that have been determined, but not paid on wine removed from premises..

CHANGE OF PREMISES: All stipulations, covenants, and agreements of this bond will extend to and apply to any change in the business address of the premises, the extension or curtailment of such premises, including the buildings thereon, or any equipment or any other change which requires the principal/obligor to file a new or amended registration, application, or notice, except where the change constitutes a change in the proprietorship of the business, or in the location of the premises. Further, this bond will continue in effect whenever operations of the plant are resumed from time to time following suspension of operations by an alternate proprietor.

TREASURY COLLATERAL BONDS: If this bond is filed as a collateral bond secured by a Treasury Note or Bond in an approved Department of Treasury holding account, this bond is secured by the Treasury collateral identified on the face of the bond and any Treasury collateral resulting from roll over of the previous Treasury collateral. The Treasury collateral identified in this bond will automatically roll over upon maturity unless the obligor notifies the National Revenue Center at least 45 days prior to maturity.

DEFAULT: If the principal/obligor of a surety bond fails to fulfill any of the terms or conditions of this bond, the United States may seek compensation and pursue its remedies independently from either the principal/obligor or surety, or jointly from both. The surety hereby waives any right of privilege it may have of requiring, upon notice, or otherwise, that the United States will first commence action, intervene in any action of any nature whatsoever already commenced or otherwise exhaust its remedies against the principal/obligor.

If the obligor of a collateral bond fails to fulfill any of the terms or conditions of this bond, the United States may apply any outstanding tax liability (including any penalties or interest) against the collateral deposited.

EFFECTIVE DATE: If accepted by the United States, the bond will be effective according to its terms on and after the effective date without notice to the obligors. Provided, that if no effective date is inserted in the space provided, the date of execution shown on page 1 of the bond will be the effective date of the bond.

INSTRUCTIONS

1. File duplicate original bonds with the Director, National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau, 550 Main St., Ste 8002, Cincinnati, OH 45202-5215
2. The name, including the full given name, of each party to the bond will be given in the heading, and each party must sign the bond with such party's signature, or the bond may be executed in the party's name by an empowered attorney-in-fact.
 - a. In the case of a partnership, the partnership name, followed by the names of all its partners will be given in the heading. In executing the bond, the partnership name will be typed or written followed by the word "by" and the signatures of all partners, or the signature of any partner authorized to sign the bond for the firm, or the signature of an empowered attorney-in fact. The name of the state in which the partnership is organized will be given in the space provided above the signature lines.
 - b. If the principal/obligor is an LLC, the LLC name will be given in the heading. In executing the bond the LLC name will be typed or written followed by the word "by" and the signature and title of the managing member, any member authorized to sign the bond for the LLC, or an empowered attorney-in-fact. The name of the state in which the LLC is organized will be given in the space provided above the signature lines.
 - c. If the principal/obligor is a corporation, the heading will give the corporate name and the address of the principal business office. The name of the state in which the corporation is organized will be in the space provided above the signature lines. The bond will be executed in the corporate name, immediately followed by the signature and title of the person authorized to act for the corporation.
3. If the bond is signed by an attorney-in-fact for the principal/obligor, or by one of the members of a partnership, LLC, or association, or by an officer or other person for a corporation, there will be filed with the bond an authenticated copy of the power of attorney, or resolution of the board of directors, or an excerpt of the bylaws, or other documents, authorizing the person signing the bond to execute it by the principal/obligor, unless an authorization has been previously filed with the Director, National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau, in which event a statement to the effect must be attached to the bond.
4. The signature for the surety will be attested under corporate seal. The signature for the principal/obligor, if a corporation or LLC, also will be attested by seal if the corporation or LLC has a seal. If the corporation or LLC has no seal, that fact will be noted. Each signature will be made in the presence of two persons (except where corporate or LLC seals are affixed), who must sign their names as witnesses.
5. A bond may be given with (a) corporate surety authorized to act as surety by the Secretary of the Treasury, (b) by the deposit of Government obligations. A Government obligation is defined in 31 U.S.C. 9301 as "a public debt obligation of the United States Government and an obligation whose principal and interest is unconditionally guaranteed by the Government." Such obligations include Treasury Notes or Treasury Bonds, or cash in the form of a check or similar legal tender made payable to the Alcohol and Tobacco Tax and Trade Bureau for deposit in an approved Department of the Treasury holding account.

Contact the National Revenue Center toll free at 1-877-882-3277 regarding allowable types of collateral.
6. If any alteration or erasure is made in the bond before or after its execution, complete the alteration statement on page 2 and make sure that the Principal and Surety or Sureties **OR** Obligor initial the statement.
7. The penal sum named in the bond will be in accordance with 27 CFR Part 19.
8. If the bond is approved, a copy will be returned to the principal/obligor.
9. All correspondence about the filing of this form or any subsequent action, including termination, affecting this bond should be directed to Director, National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau, 550 Main St, Ste 8002, Cincinnati, OH 45202-5215 or 1-877-882-3277 (toll free).
10. To ensure that all parts of each bond are properly identified, add the Principal/Obligor name and execution date (the date in the BOND EXECUTION field on page 1) at the top of page 2. The principal/obligor and the surety, by signing this bond, acknowledge that they have read and are familiar with the terms of the bond on page 3 of this form.

PAPERWORK REDUCTION ACT NOTICE

This request is in accordance with the Paperwork Reduction Act of 1995. The information collection is used by proprietors of Distilled Spirits Plants and Alcohol Fuel Plants to file bond coverage with TTB. The bond may be secured through a surety company or it may be secured with collateral (cash, Treasury Bonds, or Notes). The bond protects the revenue assigned to distilled spirits on which excise tax has not been paid. The information is mandatory by statute (26 U.S.C. 5173 and 5181).

The estimated average burden associated with this collection of information is 1 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 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.

Appendix C: Signing Authority for Corporate and LLC Officials TTB F 5100.1

**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	COMPLETE APPLICABLE INFORMATION <input type="checkbox"/> CHECK IF YOU ARE A NEW APPLICANT REGISTRY/PERMIT NO.
BOARD MEETING <input type="checkbox"/> DIRECTORS <input type="checkbox"/> TRUSTEES <input type="checkbox"/> MANAGERS <input type="checkbox"/> GOVERNORS	DATE OF MEETING

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.**

I certify that this is true and complete and that the above authorization was granted at the cited meeting of the board.		CORPORATE/LLC SEAL
SIGNATURE	PRINTED NAME	
TITLE	DATE	
		<input type="checkbox"/> NO SEAL <i>(If no seal, attach a resolution or meeting minutes that support the authority(ies) identified above.)</i>

INSTRUCTIONS

Prepare and submit in duplicate to the Director, National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau, 550 Main Street, Suite 8002, Cincinnati, OH 45202. If your premise is located in Puerto Rico, then mail this form to TTB (PRO), 350 Chardon Ave Suite 310, San Juan PR 00918. 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. This 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 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, 1310 G Street, NW, Box 12, Washington, DC 20005. 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.

Appendix D: Power of Attorney TTB F 5000.8

OMB No. 1513-0014 (05/31/2014)

**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, Limited Liability Company, Estate, or Individual)	2. BUSINESS IN WHICH ENGAGED
--	------------------------------

3. ADDRESS (Number, Street, City, State, ZIP Code), TELEPHONE NUMBER, AND E-MAIL ADDRESS

4. PRINCIPAL'S EMPLOYER IDENTIFICATION NUMBER (Employer Identification Number or Social Security Number)	5. PERMIT NUMBER / REGISTRY NUMBER (If applicable)
--	--

6. NAME, TELEPHONE NUMBER, AND E-MAIL ADDRESS 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 by virtue of this appointment.

(b) Authorization limited to:

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

EXECUTION (See Instruction 3)

1. SIGNATURE IF PRINCIPAL IS INDIVIDUAL (Signature of Principal)	DATE			
2. 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.	13. Seal of Corporation, Association, or LLC (A corporation, association or LLC will impress their seal below if they have one. If there is no seal, check the "Not Applicable box". The person(s) signing in Items 11 or 12 must have been granted signing authority (other than Power of Attorney) on another document previously approved or accepted by TTB).			
<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> </table>	Signature	Title	Date	<input type="checkbox"/> Not Applicable
Signature	Title	Date		
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Signature	Title	Date		

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

<p>14a. ACKNOWLEDGMENT</p> <p>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.</p>	<p>14b. WITNESSING</p> <p>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:</p>						
<p>NOTARIAL SEAL <i>(If required)</i></p>	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%; border-bottom: 1px solid black;">Signature of Notary or Other Officer</td> <td style="width:50%; border-bottom: 1px solid black;">Signature of Witness</td> <td style="width:50%; border-bottom: 1px solid black;">Date</td> </tr> <tr> <td style="border-bottom: 1px solid black;">Date</td> <td style="border-bottom: 1px solid black;">Title</td> <td style="border-bottom: 1px solid black;">Date</td> </tr> </table>	Signature of Notary or Other Officer	Signature of Witness	Date	Date	Title	Date
Signature of Notary or Other Officer	Signature of Witness	Date					
Date	Title	Date					

14c. DECLARATION by attorney or certified public accountant 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 ¹ _____

Qualified to practice as a certified public accountant in ¹ _____

Printed Name

Signature

¹Insert Name of State, Possession, or District of Columbia

FOR TTB USE ONLY

DATE RECEIVED FOR FILING	TTB OFFICE	RECEIVED BY <i>(Signature and Title)</i>

INSTRUCTIONS

1. **GENERAL.** This form is filed with TTB to show the appointed attorney is to represent the principal.

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.
2. **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).
3. **EXECUTION.** This form must be signed by or on behalf of the principal(s) as follows:
 - (a) **INDIVIDUAL** by his or her completion of item 11.
 - (b) **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.
 - (c) **CORPORATION or ASSOCIATION** by completion of items 12 and 13, an officer authorized by supporting corporate or organizational documents (preferably the president, vice-president, or treasurer; or LLC member or manager), must sign in item 12.
 - (d) **ESTATE** by completion of item 12 by the executor or administrator and attaching other such documents as may be required by TTB.
 - (e) **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.
4. **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.
5. **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).
6. **REVOCAION.** A power of attorney remains in effect until revoked by the principal in written notice to the Director, National Revenue Center.
7. **RULES.** All persons representing clients before the Alcohol and Tobacco Tax and Trade Bureau must comply with the regulations governing representation (26 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 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.

Appendix E: Definitions from 27 CFR § 19.1

As used in this part, the following terms shall have the meanings indicated unless either the context in which they are used requires a different meaning, or a different definition is prescribed for a particular subpart, section, or portion of this part:

Accurate mass flow meter. A mass flow meter for making volume determinations of bulk distilled spirits. A mass flow meter used for tax determination of bulk spirits must be certified by the manufacturer of the meter or other qualified person as accurate within a tolerance of plus or minus 0.1 percent. A mass flow meter used for all other required volume determinations of bulk spirits must be certified by the manufacturer of the meter or other qualified person as accurate within a tolerance of plus or minus 0.5 percent.

Administrator. The Administrator of the Alcohol and Tobacco Tax and Trade Bureau, the Department of the Treasury, Washington, D.C., or a delegate or designee of the Administrator.

Alcoholic flavoring materials. Any nonbeverage product on which drawback has been or will be claimed under 26 U.S.C. 5111-5114, and any flavor imported free of tax which is unfit for beverage purposes. This term includes eligible flavors but does not include flavorings or flavoring extracts manufactured on the bonded premises of a distilled spirits plant as an intermediate product.

Application for registration. The application for registration of a distilled spirits plant that is required by 26 U.S.C. 5171(c).

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 this part by TTB Order 1135.19, Delegation of the Administrator's Authorities in 27 CFR Part 19, Distilled Spirits Plants.

Article. A product containing denatured spirits, which was manufactured under this part or part 20 of this chapter.

Bank. Any commercial bank.

Banking day. Any day that a bank is open to the public to carry on substantially all of its banking functions.

Basic permit. The document that authorizes a person to engage in a designated business or activity under the Federal Alcohol Administration Act.

Bond. A bond is a formal guarantee for payment of monies due to TTB, including taxes imposed by 26 U.S.C. chapter 51, and any related fines, penalties or interest that the proprietor of a distilled spirits plant

may incur, up to an amount specified by the bond (the bond "penal sum").

Bonded premises. The premises of a distilled spirits plant, or part thereof, as described in the application for registration, on which the conduct of distilled spirits operations defined in 26 U.S.C. 5002 is authorized. This term includes premises described in the preceding sentence even if the proprietor, as authorized under the exemption set forth in §19.151(d), has not provided a bond for the premises.

Bottler. A proprietor of a distilled spirits plant qualified under this part as a processor that bottles distilled spirits.

Bulk container. Any container approved by TTB having a capacity in excess of one wine gallon.

Bulk conveyance. A tank car, tank truck, tank ship, tank barge, or a compartment of any such conveyance, or any other container approved by the Administrator for the conveyance of comparable quantities of spirits, including denatured spirits and wines.

Bulk distilled spirits. Distilled spirits in a container having a capacity in excess of one wine gallon.

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

Calendar quarter and quarterly. These terms refer to the 3-month periods ending on March 31, June 30, September 30, or December 31.

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 itself or others.

CFR. The Code of Federal Regulations.

Commercial bank. A bank, whether or not a member of the Federal Reserve system, which has access to the Federal Reserve Communications System or Fedwire (a communications network that allows Federal Reserve system member banks to effect a transfer of funds for their customers (or other commercial banks) to the Treasury Account at the Federal Reserve Bank of New York).

Container. 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.

Denaturant or denaturing material. Any material authorized by part 21 of this chapter for addition to spirits in the production of denatured spirits.

Denatured spirits. Spirits to which denaturants have been added as provided in part 21 of this chapter.

Director of the service center. A director of an Internal Revenue Service Center.

Distilled spirits operations. Any authorized distilling, warehousing, or processing operation conducted on the bonded premises of a plant qualified under this part.

Distilled spirits plant. An establishment which is qualified under this part to conduct distilled spirits operations.

Distiller. Any person who:

- (1) Produces distilled spirits from any source or substance;
- (2) Brews or makes mash, wort, or wash fit for distillation or for the production of distilled spirits (other than making or using of mash, wort, or wash in the authorized production of wine or beer, or in the production of vinegar by fermentation);
- (3) By any process separates alcoholic spirits from any fermented substance; or
- (4) Making or keeping mash, wort, or wash, has a still in his possession or use.

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

District director. A district director of the Internal Revenue Service.

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.

Electronic fund transfer or EFT. Any transfer of funds effected by the proprietor's commercial bank, either directly or through a correspondent banking relationship, via the Federal Reserve Communications System or Fedwire to the Treasury Account at the Federal Reserve Bank of New York.

Eligible flavor. A flavor which:

- (1) Is of a type that is eligible for drawback of tax under 26 U.S.C. 5114;
- (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.

Export or exportation. A separation of goods from the mass of goods belonging to the United States with the intention of uniting them with goods belonging to a foreign country or any possession of the United States, including the Commonwealth of Puerto Rico, the U.S. Virgin Islands, American Samoa, and Guam.

Fermenting material. Any material that will be subject to a process of fermentation in order to produce distilling material.

Fiduciary. A guardian, trustee, executor, administrator, receiver, conservator, or any person acting in any fiduciary capacity for any person.

Fiscal year. The period October 1st of one calendar year through September 30th of the following calendar year.

From bond. When used with reference to withdrawals of distilled spirits, this phrase includes withdrawals from the premises of a distilled spirits plant even if the proprietor, as authorized under the exemption set forth in §19.151(d), has not provided a bond for the premises.

Gallon or wine gallon. The liquid measure equivalent to the volume of 231 cubic inches.

General premises. Any business office, service facility, or other part of the premises described in the notice of registration other than bonded premises.

In bond. When used to describe spirits, denatured spirits, articles, or wine, this term refers to spirits, denatured spirits, articles, or wine held under bond to secure the payment of the taxes imposed by 26 U.S.C. chapter 51, and on which those taxes have not been determined. Spirits, denatured spirits, articles, or wine are considered to be held under bond if they are held by a proprietor who is liable for the tax, even if the proprietor is not required to provide a bond under this chapter. The term also refers to such spirits, denatured spirits, articles, or wine on the bonded premises of a distilled spirits plant, and such spirits, denatured spirits, or wines that are in transit between bonded premises (including, in the case of wine, bonded wine cellar premises). In addition, 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 26 U.S.C. 5005(e)(2).

Industrial use. When used with reference to spirits, the meaning given to the term in §19.472.

Intermediate product. Any product manufactured according to an approved formula under part 5 of this chapter, intended not for sale as such but for use in the manufacture of a distilled spirits product.

IRC. The Internal Revenue Code of 1986, as amended.

Kind. Except as provided in §19.487, when used with reference to spirits, this term means class and type as prescribed in part 5 of this chapter. When used with reference to wines, this term means the class and type of wine as prescribed in part 4 of this chapter.

Letterhead application. A letter on a company's letterhead or other piece of paper that clearly shows the company name from a company representative with signature authority. A letterhead application is subject to TTB approval prior to any change requested in the letter.

Letterhead notice. A letter on a company's letterhead or other piece of paper that clearly shows the company name from a company representative with signature authority. A letterhead notice does not require approval by TTB prior to the change.

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 Administrator to adequately protect the revenue.

Liter. A metric unit of capacity equal to 1,000 cubic centimeters or 1,000 milliliters (ml) of alcoholic beverage, and equivalent to 33.814 fluid ounces.

Lot identification number. The package identification number described in §19.485.

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

National Revenue Center. TTB's National Revenue Center, in Cincinnati, Ohio.

Nonindustrial use. When used with reference to spirits, the meaning given to the term in §19.472.

Operating permit. The document issued pursuant to 26 U.S.C. 5171(d), that authorizes a person to engage in the business or operation described in the document.

Package. A cask or barrel or similar wooden container, or a drum or similar metal container.

Package identification number. The lot identification number described in §19.490.

Person. An individual, trust, estate, partnership, association, company, corporation, limited liability company, limited liability partnership, or other entity recognized by law as a person.

Plant or distilled spirits plant. An establishment qualified under this part for distilling, warehousing, processing, or any combination thereof.

Plant number. The number assigned to a distilled spirits plant by TTB.

Processor. Except as otherwise provided in 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 who manufactures any article.

Proof. The ethyl alcohol content of a liquid at 60 degrees Fahrenheit, stated as twice the percentage of ethyl alcohol by volume.

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

Proof of distillation. The composite proof of the spirits when the production gauge is made, or, if the spirits are reduced in proof prior to the production gauge, the proof of the spirits prior to that reduction, unless the spirits are subsequently redistilled at a higher proof than the proof prior to reduction.

Proprietor. The person qualified under this part to operate a distilled spirits plant.

Reconditioning. The dumping of distilled spirits products in bond after their bottling or packaging, for filtration, clarification, stabilization, reformulation, or other purposes, other than destruction, denaturation, redistillation, or rebottling.

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, as provided in part 20 of this chapter.

Season. The period from January 1st through June 30th (spring season) or the period from July 1st through December 31st (fall season).

Secretary. The Secretary of the Treasury or his delegate or designee.

Service center. An Internal Revenue Service Center in any of the Internal Revenue regions.

Spirits or distilled spirits. The substance known as ethyl alcohol, ethanol, or spirits of wine in any form (including all dilutions and 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 part 20 of this chapter.

Tax-determined or determined. When used with reference to any distilled spirits to be withdrawn from bond on determination of tax, that the taxable quantity of spirits has been established.

Taxpaid. When used with reference to distilled spirits, all applicable taxes imposed by law on those spirits have been determined or paid as provided by law.

This chapter. Title 27 of the Code of Federal Regulations, Chapter I, Alcohol and Tobacco Tax and Trade Bureau, Department of the Treasury (27 CFR chapter I).

To bond. When used with reference to returns of distilled spirits, this phrase includes returns to the premises of a distilled spirits plant even if the proprietor, as authorized under the exemption set forth in §19.151(d), has not provided a bond for the premises.

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

Treasury Account. The General Account of the Department of the Treasury at the Federal Reserve Bank of New York.

TTB. The Alcohol and Tobacco Tax and Trade Bureau of the Department of the Treasury.

TTB officer. An officer or employee of TTB authorized to perform any function relating to the administration or enforcement of the provisions of this part.

Unfinished spirits. Spirits in the production system prior to production gauge.

U.S.C. The United States Code.

Warehouseman. A proprietor of a distilled spirits plant qualified under this part to store bulk distilled spirits.

We. TTB and TTB officers.

Wine gallon. The liquid measure equivalent to the volume of 231 cubic inches.

Wine spirits. Spirits authorized for use in wine production by 26 U.S.C. 5373.

[T.D. TTB-92, 76 FR 9090, Feb. 16, 2011, as amended by T.D. TTB-92a, 76 FR 19908, Apr. 11, 2011; T.D. TTB-146, 82 FR 1119, Jan. 4, 2017]

Appendix F: Bond Requirements from 27 CFR 19.166

§19.166 Required penal sums.

A person must determine the penal sums for the various bonds required by this subpart according to the following table:

(a) Operations bond for a single plant operating as a:	Required penal sum represents:	The penal sum must be:	
		Not less than—	and need not be more than—
(1) Distiller	The amount of tax on spirits produced during a 15-day period	\$5,000	\$100,000
(2) Warehouseman, in general	The amount of tax on spirits and wines deposited in, stored on, and in transit to, the bonded premises	5,000	200,000
(3) Warehouseman limited to storage of spirits in packages to a total of not over 50,000 proof gallons	The amount of tax on spirits and wines deposited in, stored on, and in transit to, the bonded premises	5,000	50,000
(4) Distiller and warehouseman	The amount of tax on spirits produced during a period of 15 days, plus the tax on spirits and wines deposited in, stored on, and in transit to the bonded premises	10,000	200,000
(5) Distiller and processor	The amount of tax on spirits produced during a 15-day period, plus the amount of tax on spirits, denatured spirits, articles and wines deposited in, or stored on, and in transit to the bonded premises	10,000	200,000
(6) Warehouseman and processor in general	The amount of tax on spirits, denatured spirits, articles, and wines deposited in, stored on, and in transit to, the bonded premises	10,000	250,000
(7) Warehouseman and processor, limited to storage of spirits or denatured spirits in packages to a total of not over 50,000 proof gallons, and processing of spirits or denatured spirits so stored	The amount of tax on spirits, denatured spirits, articles, and wines deposited in, stored on, and in transit to, the bonded premises	10,000	50,000
(8) Distiller, warehouseman and processor	The amount of tax on spirits produced during a 15-day period, plus the amount of tax on spirits, denatured spirits, articles and wines deposited in, stored on, and in transit to, the bonded premises	15,000	250,000
(9) Distiller with adjacent bonded wine cellar	The amount required for a distiller (see paragraph (a)(1). above) plus the amount of	6,000	150,000

	tax on wines and wine spirits possessed on, and in transit to, the adjacent wine cellar		
(10) Distiller and warehouseman with adjacent bonded wine cellar	The amount required for a distiller & warehouseman (see paragraph (a)(4). above) plus the amount of tax on wines and wine spirits possessed on, and in transit to, the adjacent wine cellar	11,000	250,000
(11) Distiller and processor with adjacent bonded wine cellar	The amount required for a distiller & processor (see paragraph (a)(5). above) plus the amount of tax on wines and wine spirits possessed on, and in transit to, the adjacent wine cellar	11,000	250,000
(12) Distiller, warehouseman and processor with adjacent bonded wine cellar	The amount required for a distiller-warehouseman-processor (see paragraph (a)(8). above) plus the amount of tax on wines and wine spirits possessed on, and in transit to, the adjacent wine cellar	16,000	300,000
(b) Area operations bond for two or more plants whose combined required penal sums under paragraph (a) of this section:		Required penal sum is:	But need not be more than:
(1) Do not exceed \$300,000		100%	\$300,000
(2) Exceed \$300,000 but do not exceed \$600,000		\$300,000 plus 70% of the amount over \$300,000	510,000
(3) Exceed \$600,000 but do not exceed \$1,000,000		\$510,000 plus 50% of the amount over \$600,000	710,000
(4) Exceed \$1,000,000 but do not exceed \$2,000,000		\$710,000 plus 35% of the amount over \$1,000,000	1,060,000
(5) Exceeds \$2,000,000		\$1,060,000 plus 25% of the amount over \$2,000,000	
		The penal sum must be:	
(c) Withdrawal bond for:	Required penal sum represents:	Not less than—	and need not be more than—
(1) One distilled spirits plant	The amount of tax which, at any one time, is chargeable against such bond, but has not yet been paid	\$1,000	\$1,000,000.
(2) Two or more distilled spirits plants	Sum of the penal sums for each plant calculated in paragraph (c)(1) of this section	$(\$1,000) \times (\text{number of plants})$	$(\text{Number of plants}) \times \$1,000,000.$
(d) Unit bond for:	Required penal sum represents:	The penal sum must be:	

		Not less than—	and need not be more than—
(1) Operations at one distilled spirits plant (including any adjacent bonded wine cellar), and withdrawals from the bonded premises of the same plant	An amount equal to the sum of the required penal sums of an operations bond and a withdrawal bond for the plant, if such bonds were obtained separately. (See paragraphs (a) and (c)(1) in this section.)	\$6,000	\$1,300,000.
(2) Operations at two or more distilled spirits plants (including any adjacent bonded wine cellars), and withdrawals from the bonded premises of the same plants	An amount equal to the sum of the penal sums of an area operations bond and withdrawal bonds needed for all of the covered plants, if such bonds were obtained separately. (Total penal sums of paragraphs (b) and (c)(2) in this section.)	Sum of the minimum penal sums for operations and withdrawal bonds required for each plant covered by the bond	Sum of the maximum penal sums for area operations bonds and withdrawal bonds required for the plants covered by the unit bond.

(26 U.S.C. 5173)

EXAMPLE

Appendix G: Labeling and formula information

After obtaining a permit for production of distilled spirits, the producer must obtain federal approval for the labeling of the product. This is done by obtaining a certificate of label approval (COLA). Depending on the product being produced at the distilled spirit plant, this may require a pre-COLA product evaluation. The pre-COLA evaluation can consist of laboratory analysis, pre-import letter, or formula approval.

The TTB provides a calculator to determine if a pre-COLA evaluation is necessary:

<https://www.ttb.gov/formulation/do-i-need-a-formula.shtml>

The TTB also provides charts to determine if pre-COLA evaluation is necessary:

https://www.ttb.gov/industry_circulars/archives/2007/pre-cola_eval_spirits.pdf

If laboratory analysis is deemed necessary, a 750 ml sample with complete list of ingredients and a description of how the product was manufactured must be shipped to National Laboratory Center, Beverage Alcohol Laboratory 6000, Ammendale Road, Beltsville, MD 20705. This analysis can take up to a month. Chemical analysis will be conducted and, if determined to be generally recognized as safe, the formula application will be approved. If formula approval is required, a producer may submit the Formula Approval Form (TTB F 5100.51) electronically through the use of the formula online system or a paper copy of TTB F 5110.38. Pre-import letter may be required for some imported products. Using the formula online system is highly encouraged.

The requirements for laboratory analysis, formula approval, and pre-import letter can be found here:

https://www.ttb.gov/formulation/pre_cola.shtml

Formula and Process for Domestic and Imported Alcoholic Beverages (TTB F 5100.51) can be found here:

<https://www.ttb.gov/forms/f510051.pdf>

Formula and COLAs online login can be found here:

<https://www.ttbonline.gov/ttbonline/>

Once the pre-COLA requirements are fulfilled, the certificate of label approval can be obtained. This is done by submitting the labeling through COLA online or by paper submission via TTB F 5100.31. The label must meet all legal requirements, which can be found in

the Beverage Alcohol Manual (BAM) Basic Mandatory Labeling Information for Distilled Spirits. Label approval can take up to a week for distilled spirits. Using the COLA online system is highly encouraged.

Beverage Alcohol Manual (BAM) Basic Mandatory Labeling Information for Distilled Spirits can be found at: <https://www.ttb.gov/spirits/bam.shtml>

Approval of bottle sale in Oregon

After obtaining a Federal Permit for a DSP, Oregon distillery license, and COLA approval, a licensee may then obtain approval for the sale of distilled liquor by the bottle in Oregon. This approval is attained by contacting the OLCC purchasing division at 503-872-5000 and providing proof of label approval by the TTB.

Tasting room privileges

After being approved for bottle sale in Oregon, tasting privileges for your establishment may be obtained by completing the Distillery Tasting Privilege Application (detailed in the Required Documentation for OLCC Distillery Licensing Application Packet section).

Direct sale to consumers

Once your license is approved for on-site tastings, you can seek approval to sell sealed containers of distilled liquor directly to consumer within premises of you DSP. To become a distillery retail agent, contact the OLCC Retail Service Division at 503-872-5020 or via email at OLCC.RetailServices@state.or.us.

Ability to sell potable ethanol for industrial uses

To sell potable ethanol for industrial uses, you need to obtain an Industrial Alcohol Permit (IAA), which allows you to sell to other holders of the permit. This could include food processors, flavor extraction companies, wineries, etc. This permit is obtained by contacting the OLCC at 503-872-5034.

Other information

Detailed information related to these privileges, information relating to special permits, and regulations regarding the sale of distilled liquor in Oregon can be found in the OLCC's "The Guide to the Manufacturing and Wholesaling Distilled Liquor in Oregon," at:

http://www.oregon.gov/olcc/docs/publications/manufacturing_wholesaling_distillery_guide.pdf

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