

(5) The number and kind of strip stamps used and/or the number of alternative devices used.

(Approved by the Office of Management and Budget under control number 1512-0198)

(Sec. 201, Pub. L. 85-859, 72 Stat. 1395, as amended (26 U.S.C. 5555))

[T.D. ATF-198, 50 FR 8464, Mar. 1, 1985, as amended by T.D. ATF-206, 50 FR 23953, June 7, 1985]

**§ 19.774 Record of inventories.**

(a) *General.* Each proprietor shall make a record of inventories of spirits, denatured spirits, and wines required by §§ 19.329, 19.353, 19.401, 19.402, and 19.464. The following information shall be shown:

- (1) Date taken;
- (2) Identification of container(s);
- (3) Kind and quantity of spirits, denatured spirits, and wines;
- (4) Losses (whether by theft, voluntary destruction or otherwise), gains or shortages; and
- (5) Signature, under penalties of perjury, of the proprietor or person taking the inventory.

(b) *Production.* Each proprietor shall record the quarterly inventory of spirits as provided in paragraph (a) of this section.

(c) *Storage.* (1) Each proprietor shall record the quarterly inventory of spirits and wines (except those in packages) as provided in paragraph (a) of this section.

(2) Gains or losses disclosed for each container shall be recorded on the current tank record (or summary record for spirits of 190 degrees or more of proof).

(d) *Processing.* Each proprietor shall record inventories as provided in paragraph (a) of this section, and for:

- (1) Bulk spirits and wines in process, any gains or losses shall be recorded on the individual dump, batch, or bottling record;
- (2) Finished products in bottles and packages, any overages, losses, and shortages for the total quantity inventoried shall be recorded in records required by § 19.751; and
- (3) Denatured spirits, any gains or losses shall be recorded in the record prescribed by § 19.752.

(e) *Retention.* Inventory records shall be retained by the proprietor and made

available for inspection by ATF officers.

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

**§ 19.775 Record of securing devices.**

Each proprietor shall maintain a record of securing devices by serial number showing the number received, affixed to conveyances (in serial order), and otherwise disposed of.

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

**§ 19.776 Record of scale tests.**

Proprietors shall maintain records of results of tests conducted in accordance with § 19.273 and § 19.276.

(Sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

**§ 19.777 [Reserved]**

**§ 19.778 Removal on or after January 1, 1987 of Puerto Rican and Virgin Islands spirits, and rum imported from all other areas.**

(a) *General.* The proprietor shall maintain separate accounts, in proof gallons, of Puerto Rican spirits having an alcoholic content of at least 92 percent rum, of Virgin Islands spirits having an alcoholic content of at least 92 percent rum, and of rum imported from all other areas removed from the processing account on determination of tax. Quantities of spirits in these categories that are contained in products mixed in processing with other alcoholic ingredients may be determined by using the methods provided in paragraphs (b), (c), or (d) of this section. The proprietor shall report these quantities monthly on Form 5110.28, Monthly Report of Processing Operations, as provided in § 19.792.

(b) *Standard method.* For purposes of the separate accounts, quantities of spirits in the above categories may be determined based on the least amount of such spirits which may be used in each product as stated in the approved formula, ATF F 5110.38.

(c) *Averaging method.* For purposes of the separate accounts, quantities of spirits in the above categories may be determined by computing the average quantity of such spirits contained in