

all batches of the same product formulation manufactured during the preceding 6-month period. The average shall be adjusted at the end of each month so as to include only the preceding 6-month period.

(d) *Alternative method.* Distilled spirits plant proprietors who wish to use an alternative method for determining the amount of spirits in these categories contained as ingredients of other distilled spirits products shall file an application with the Director. The written application shall specifically describe the proposed alternative method, and shall set forth the reasons for using the alternative method.

(e) *Transitional rule.* On January 1, 1987 the proprietor shall take physical inventories of all Puerto Rican spirits, Virgin Islands spirits, and rum imported from all other areas which were received into the processing account prior to that date. These inventories may be taken as provided in § 19.402(a)(2). The results of the inventories shall be submitted in a letter to the regional director (compliance) within 30 days of the required date of the inventories.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1394, as amended (26 U.S.C. 5555))

[T.D. ATF-239, 51 FR 40026, Nov. 4, 1986]

**§ 19.779 Record of shipment of spirits and specially denatured spirits withdrawn free of tax.**

(a) *General.* The proprietor shall prepare a record of shipment, and forward the original to the consignee and file a copy, when:

(1) Samples of specially denatured spirits in excess of five gallons are withdrawn in accordance with § 19.540(c)(2);

(2) Spirits are withdrawn free of tax in accordance with § 19.536(a)-(c); and

(3) Specially denatured spirits are withdrawn free of tax in accordance with §§ 19.536(d) and 19.540.

(b) *Form of record.* (1) The record of shipment prescribed in this section may consist of a proprietor's commercial invoice, bill of lading, or another document intended for the same purpose. Any commercial document used as a record of shipment shall:

(i) Be preprinted with the name and address of the proprietor,

(ii) Be sequentially numbered, and  
(iii) Be consistently used for the intended purpose.

(2) In addition to any other information on the document, the record of shipment shall contain, as applicable, the following information:

- (i) Date of shipment;
- (ii) Name, address, and permit number of consignee;
- (iii) Kind of spirits;
- (iv) Proof of spirits;
- (v) Formula number(s), for specially denatured spirits;
- (vi) Number and size of containers;
- (vii) Package identification numbers or serial numbers of containers; and
- (viii) Total wine gallons (specially denatured spirits) or total proof gallons (tax-free alcohol).

(Records relating to tax-free alcohol approved by the Office of Management and Budget under control number 1512-0334; records relating to specially denatured spirits approved by the Office of Management and Budget under control number 1512-0337)

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

[T.D. ATF-199, 50 FR 9162, Mar. 6, 1985]

**§ 19.780 Record of distilled spirits shipped to manufacturers of non-beverage products.**

(a) *General.* Where distilled spirits are shipped to a manufacturer of nonbeverage products, the proprietor shall prepare a record of shipment, forward the original to the consignee, and retain a copy.

(b) *Form of record.* The record of tax determination prescribed by § 19.761, or any other document issued by the proprietor and containing the necessary information, may be used as the record of shipment.

(c) *Required information.* In addition to any other information on the document, the document used as the record of shipment must contain the following information:

- (1) Name, address and registry number of the proprietor;
- (2) Date of shipment;
- (3) Name and address of the consignee;
- (4) Kind, proof, and quantity of distilled spirits in each container;
- (5) Number of containers of each size;