

### § 18.36

new concentrate plant. Processing material, concentrate and other materials may be transferred from an outgoing proprietor to a successor.

(b) *Fiduciary*. A successor to the proprietorship of a concentrate plant who is an administrator, executor, receiver, trustee, assignee, or other fiduciary shall comply with the provisions of paragraph (a) of this section. If the fiduciary was appointed by a court, the effective dates of the qualifying documents filed by the fiduciary shall be the effective date of the court order, or the date specified therein for the fiduciary to assume control. If the fiduciary was not appointed by a court, the date the fiduciary assumes control shall coincide with the effective date of the qualifying documents filed by the fiduciary.

(Approved by the Office of Management and Budget under control number 1512-0046)

[T.D. ATF-104, 47 FR 23921, June 2, 1982, as amended by T.D. ATF-381, 61 FR 37003, July 16, 1996]

### § 18.36 Change in officers and directors.

The proprietor shall submit an amended application to cover changes in the list of officers and directors furnished under the provisions of § 18.25.

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[T.D. ATF-104, 47 FR 23921, June 2, 1982, as amended by T.D. ATF-381, 61 FR 37003, July 16, 1996]

### § 18.37 Change in stockholders.

The proprietor shall submit changes in the list of stockholders furnished under the provisions of § 18.25 annually on May 1. When the sale or transfer of capital stock results in a change of control or management of the business, the proprietor shall comply with the provisions of § 18.35.

(Approved by the Office of Management and Budget under control number 1512-0046)

[T.D. ATF-104, 47 FR 23921, June 2, 1982, as amended by T.D. ATF-381, 61 FR 37003, July 16, 1996]

### § 18.38 Permanent discontinuance.

A proprietor who permanently discontinues the business of a concentrate manufacturer shall, after completion

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of operations, file an application on Form 27-G (5520.3) to cover such discontinuance, giving the date of the discontinuance.

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[T.D. ATF-104, 47 FR 23921, June 2, 1982, as amended by T.D. ATF-381, 61 FR 37003, July 16, 1996]

### § 18.39 Qualification to alternate a volatile fruit-flavor concentrate plant and a distilled spirits plant.

A proprietor of a volatile fruit-flavor concentrate plant operating a contiguous distilled spirits plant may alternate the use of such premises between the two functions through extension and curtailment by filing with the appropriate ATF officer the following information:

(a) ATF Form 27-G (5520.3) and ATF Form 5110.41 to cover the proposed alternation of premises;

(b) A special diagram, in duplicate, delineating the premises as they will exist, both during extension and curtailment and clearly depicting all buildings, floors, rooms, areas, equipment and pipe lines (identified individually by letter or number) which are to be subject to alternation, in their relative operating sequence; and

(c) A bond or a consent of surety to cover the proposed alternation of premises.

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[T.D. ATF-455, 66 FR 29482, May 31, 2001]

### § 18.40 Qualification to alternate volatile fruit-flavor concentrate plant and bonded wine cellar.

A proprietor of a volatile fruit-flavor concentrate plant operating a contiguous bonded wine cellar may alternate the use of each premise by extension and curtailment by filing with the appropriate ATF officer the following information:

(a) ATF Form 27-G (5520.3) and ATF Form 5120.25 to cover the proposed alternation of premises;

(b) A special diagram, in duplicate, delineating the premises as they will exist, both during extension and curtailment and clearly depicting all

buildings, floors, rooms, areas, equipment and pipe lines (identified individually by letter or number) which are to be subject to alternation, in their relative operating sequence; and

(c) A bond or a consent of surety to cover the proposed alternation of premises.

(Approved by the Office of Management and Budget under control number 1512-0046)

[T.D. ATF-455, 66 FR 29482, May 31, 2001]

#### § 18.41 Separation of premises.

The appropriate ATF officer may specify additional means of separating the volatile fruit-flavor concentrate plant from a distilled spirits plant or bonded wine cellar premises.

[T.D. ATF-455, 66 FR 29482, May 31, 2001]

#### § 18.42 Record of alternation.

After approval of the qualifying documents for the alternation of premises, the proprietor must execute a record each time that the premises are alternated. The record will contain the following information:

(a) Identification assigned by ATF, including the plant or registry number, of the volatile fruit-flavor concentrate plant and the distilled spirits plant or bonded wine cellar;

(b) Effective date and time of proposed change; and

(c) Description of the alternation that identifies the diagrams depicting the premises before and after the alternation.

(Approved by the Office of Management and Budget under control number 1512-0046)

[T.D. ATF-455, 66 FR 29482, May 31, 2001]

#### § 18.43 Conditions of alternation.

(a) *Curtailment of volatile fruit-flavor concentrate plant.* The proprietor must remove all concentrate, fruit mash, and juice from the volatile fruit-flavor concentrate plant alternated to a distilled spirits plant or to a bonded wine cellar premises, unless such concentrate, fruit mash, or juice is being simultaneously transferred to the distilled spirits plant or bonded wine cellar premises.

(b) *Extension of volatile fruit-flavor concentrate premises and curtailment of distilled spirits plant.* The proprietor

must remove all spirits, denatured spirits, articles and wine, except for concentrate, fruit mash, or juice that is being simultaneously transferred to the volatile fruit-flavor concentrate plant.

(c) *Extension of volatile fruit-flavor concentrate premises and curtailment of bonded wine cellar premises.* The proprietor must remove all wine and spirits from the alternated bonded wine cellar premises, except for concentrate, fruit mash, or juice that is being simultaneously transferred to the volatile fruit-flavor concentrate plant.

[T.D. ATF-455, 66 FR 29482, May 31, 2001]

### Subpart E—Operations

#### § 18.51 Processing material.

(a) *General.* A proprietor may produce processing material or receive processing material produced elsewhere. Fermented processing material may not be used in the manufacture of concentrate. Processing material may be used if it contains no more alcohol than is reasonably unavoidable, and must be used when produced, or as soon thereafter as practicable.

(b) *Record of processing material.* A proprietor shall maintain a record, by kind and quantity, of processing material used.

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[T.D. ATF-104, 47 FR 23921, June 2, 1982, as amended by T.D. ATF-381, 61 FR 37003, July 16, 1996]

#### § 18.52 Production of high-proof concentrate.

(a) *General.* High-proof concentrate may be produced in a concentrate plant. Concentrate having an alcohol content of more than 24 percent by volume that is fit for beverage use may not be produced in a concentrate plant.

(b) *Determination.* A proprietor shall determine whether a particular concentrate is a high-proof concentrate. However, a proprietor may at any time submit a written request to the appropriate ATF officer for a determination of whether a concentrate is unfit for beverage use. Each request for a determination will include information as to kind, percent alcohol by volume,