

PERMANENT DISCONTINUANCE OF USE OF
TAX-FREE ALCOHOL**§ 22.68 Notice of permanent discontinuance.**

A permittee who permanently discontinues the use of tax-free alcohol shall file a written notice with the appropriate ATF officer to cover the discontinuance. The notice will be accompanied by the permit, and contain—

- (1) A request to cancel the permit,
- (2) A statement of the disposition made, as provided in § 22.154, of all tax-free and recovered alcohol, and
- (3) The date of discontinuance.

(Approved by the Office of Management and Budget under control number 1512-0335)

[T.D. ATF-199, 50 FR 9183, Mar. 6, 1985, as amended by T.D. ATF-443, 66 FR 13015, Mar. 2, 2001]

Subpart E [Reserved]**Subpart F—Premises and Equipment****§ 22.91 Premises.**

All persons qualified to withdraw and use tax-free alcohol shall have premises suitable for the business being conducted and adequate for the protection of the revenue. Storage facilities shall be provided on the premises for tax-free alcohol received or recovered. The storage facilities may consist of a combination of storerooms, compartments, or stationary storage tanks.

§ 22.92 Storage facilities.

(a) Storerooms or compartments shall be so constructed and secured as to prevent unauthorized access and will be equipped for locking. These storage facilities shall be of sufficient capacity to hold the maximum quantity of tax-free alcohol which will be on hand at one time.

(b) Each stationary storage tank used to hold tax-free alcohol shall be equipped for locking in such a manner as to control access to the spirits. All stationary storage tanks shall be equipped with an accurate means of measuring the spirits.

(c) Storerooms and storage tanks shall be kept locked when unattended. A storage cabinet or locker kept inside

a room which is locked when unattended is considered to be adequately secured.

§ 22.93 Equipment for recovery and restoration of tax-free alcohol.

(a) *Location.* All equipment used to recover and restore tax-free alcohol for reuse shall be located on the permit premises.

(b) *Construction.* (1) Distilling apparatus, pipelines and other equipment used for recovery and restoration of tax-free alcohol shall be constructed and secured in such a manner as to prevent unauthorized access and so arranged as to be readily inspected.

(2) Storage tanks shall be provided for the collection of recovered tax-free alcohol. Each storage tank shall—

- (i) Be durably marked as to use and capacity;
- (ii) Be equipped with, or for, an accurate means of measuring the spirits; and
- (iii) Be equipped for locking to control unauthorized access to the spirits.

Subpart G—Use of Tax-Free Alcohol**§ 22.101 Authorized uses.**

Alcohol may be withdrawn free of tax from the bonded premises of a distilled spirits plant for the use of any State or political subdivision of a State, or the District of Columbia, for nonbeverage purposes. Alcohol may also be withdrawn by persons eligible to use tax-free alcohol, for nonbeverage purposes and not for resale or use in the manufacture of any product for sale. Tax-free alcohol shall be withdrawn and used only as provided by law and this part, as follows:

(a) For the use of any educational organization described in 26 U.S.C. 170(b)(1)(A) which is exempt from income tax under 26 U.S.C. 501(a), or for the use of any scientific university or college of learning;

(b) For any laboratory for use exclusively in scientific research;

(c) For use at any hospital, blood bank, or sanitarium (including use in making any analysis or test at a hospital, blood bank, or sanitarium), or at