

Subpart Y—Distilled Spirits For Fuel Use

§ 19.901 Scope of subpart.

This subpart implements 26 U.S.C. 5181, which authorizes the establishment of distilled spirits plants solely for producing, processing and storing, and using or distributing distilled spirits to be used exclusively for fuel use. This subpart relates to the qualification and operation of such distilled spirits plants. Distilled spirits plants established under this subpart are designated as alcohol fuel plants.

(Sec. 232, Pub. L. 96-223, 94 Stat. 278 (26 U.S.C. 5181))

§ 19.902 Waiver for alcohol fuel plants.

All provisions of subparts A through X of this part and all provisions of 26 U.S.C. Chapter 51 are hereby waived except:

- (a) Any provision specifically incorporated by reference in this subpart and the cited authority for that provision;
- (b) Any provision requiring the payment of tax;
- (c) Any provisions dealing with penalty, seizure, or forfeiture which is applicable to distilled spirits; and
- (d) 26 U.S.C. 5181.

(Sec. 232, Pub. L. 93-224, 94 Stat. 278 (26 U.S.C. 5181))

§ 19.903 Alternate methods or procedures.

The proprietor, on specific approval by the appropriate TTB officer as provided in this paragraph, may use an alternate method or procedure in lieu of a method or procedure specifically prescribed in this subpart or subparts A through X of this part where the provisions of those subparts have been incorporated by reference in this subpart. The appropriate TTB officer may approve an alternate method or procedure, subject to stated conditions, when he finds that—

- (a) Good cause has been shown for the use of the alternate method or procedure;
- (b) The alternate method or procedure is within the purpose of, and consistent with the effect intended by, the specifically prescribed method or pro-

cedure, and affords equivalent security to the revenue; and

(c) The alternate method or procedure will not be contrary to any applicable provision of law, and will not result in an increase in cost to the Government or hinder the effective administration of this part. No alternate method or procedure relating to the giving of any bond, to the assessment, payment or collection of tax, will be authorized under this section. Where the proprietor desires to employ an alternate method or procedure, he shall submit a written application to do so to the appropriate TTB officer. The application will specifically describe the proposed alternate method or procedure, and will set forth the reasons therefor. The proprietor shall not employ any alternate method or procedure until the application has been approved. The proprietor shall, during the period of authorization of an alternate method or procedure, comply with the terms of the approved application. Authorization for any alternate method or procedure may be withdrawn whenever in the judgment of the appropriate TTB officer the revenue is jeopardized or the effective administration of this part is hindered by the continuation of such authorization. As used in this section, alternate methods or procedures include alternate construction or equipment. The proprietor shall retain, as part of the records available for examination by appropriate TTB officer, any application approved by the appropriate TTB officer under the provisions of this section.

(Sec. 232, Pub. L. 96-223, 94 Stat. 278 (26 U.S.C. 5181))

§ 19.904 Emergency variations from requirements.

The appropriate TTB officer may approve construction, equipment, and methods of operation other than as specified in this part, where he finds that an emergency exists and the proposed variations from the specified requirements are necessary, and the proposed variations—

- (a) Will afford the security and protection to the revenue intended by the prescribed specifications;
- (b) Will not hinder the effective administration of this part; and