

§ 19.965

CONSTRUCTION, EQUIPMENT AND
SECURITY

§ 19.965 Construction and equipment.

Buildings and enclosures where distilled spirits will be produced, processed, or stored shall be constructed and arranged to enable the proprietor to maintain security adequate to deter diversion of the spirits. Distilling equipment shall be constructed to prevent unauthorized removal of spirits, from the point where distilled spirits come into existence until production is complete and the quantity of spirits has been determined. Tanks and other vessels for containing spirits shall be equipped for locking and be constructed to allow for determining the quantities of spirits therein.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1353, as amended (26 U.S.C. 5178))

§ 19.966 Security.

Proprietors shall provide security adequate to deter the unauthorized removal of spirits. The proprietor shall store spirits either in a building, a storage tank, or within an enclosure, which the proprietor will keep locked when operations are not being conducted.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1353, as amended (26 U.S.C. 5178); sec. 806, Pub. L. 96-39, 93 Stat. 279 (26 U.S.C. 5202))

§ 19.967 Additional security.

If the appropriate TTB officer finds that security is inadequate to deter diversion of the spirits, as may be evidenced by the occurrence of break-ins or by diversion of spirits to unauthorized purposes, additional security measures may be required. Such additional measures may include, but are not limited to, the following:

- (a) The erection of a fence around the plant or the alcohol storage facility;
- (b) Flood lights;
- (c) Alarm systems;
- (d) Watchman services; or,
- (e) Locked or barred windows.

The exact additional security requirements would depend on the extent of the security problems, the volume of

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alcohol produced, the risk to tax revenue, and safety requirements.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1353, as amended (26 U.S.C. 5178); sec. 806, Pub. L. 96-39, 93 Stat. 279 (26 U.S.C. 5202))

SUPERVISION

§ 19.970 Supervision of operations.

The appropriate TTB officer may assign appropriate TTB officers to premises of plants qualified under this subpart. The authorities of appropriate TTB officers, provided in §§19.81 through 19.84, and the requirement that proprietors furnish facilities and assistance to appropriate TTB officers, provided in §19.86, apply to plants qualified under this subpart. The provisions of §19.75 of this part pertaining to the assignment of appropriate TTB officers and hours of operation, to the extent deemed necessary by the appropriate TTB officer, are applicable to plants qualified under this subpart.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1320, as amended, 1356, as amended, 1357, as amended, 1358, as amended, 1375, as amended, 1396, as amended (26 U.S.C. 5006, 5201, 5203, 5204, 5213, 5555); sec. 806, Pub. L. 96-39, 93 Stat. 279 (26 U.S.C. 5202); sec. 807, Pub. L. 96-39, 93 Stat. 284 (26 U.S.C. 5207))

ACCOUNTING FOR SPIRITS

§ 19.980 Gauging.

(a) *Equipment and method.* Proprietors shall gauge spirits by accurately determining the proof and quantity of spirits. The proof of the spirits shall be determined using a glass cylinder, hydrometer, and thermometer. Proprietors may account for fuel alcohol in wine gallons. Unless proprietors desire to do so, it is not necessary to determine the proof of fuel alcohol manufactured, on-hand, or removed. The proprietor may determine quantity either by volume or weight. A tank or receptacle with a calibrated sight glass installed, a calibrated dipstick, conversion charts, meters (subject to approval by the appropriate TTB officer, or other devices or methods approved by the appropriate TTB officer, may be used to determine quantity by volume. The proprietor shall ensure that hydrometers, thermometers, and other equipment used to determine proof, volume, or weight are accurate. From