

## § 26.45

paragraph (a) of this section must register by filing the special tax return on Form 5630.5, in accordance with part 31 of this chapter, during the suspension period even though the amount of tax due is zero.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1340 as amended, 1343 as amended, 1344 as amended (26 U.S.C. 5111, 5112, 5121, 5122))

[T.D. ATF-70, 45 FR 33980, May 21, 1980, as amended by T.D. ATF-251, 52 FR 19338, May 22, 1987; T.D. TTB-25, 70 FR 19883, Apr. 15, 2005; T.D. TTB-36, 70 FR 62246, Oct. 31, 2005]

### § 26.45 Warehouse receipts covering distilled spirits.

The sale of warehouse receipts for distilled spirits is equivalent to the sale of distilled spirits. Accordingly, except during the suspension period described in § 26.44(b), every person bringing distilled spirits into the United States from Puerto Rico, who sells, or offers for sale, warehouse receipts for distilled spirits stored in warehouses, or elsewhere, incurs liability to special tax as a dealer in liquors at the place where such warehouse receipts are sold, or offered for sale, and must file return and pay occupational tax as provided in § 26.44(a). During the suspension period, every such person must register as provided in § 26.44(b).

(68A Stat. 618, 620, 621; 26 U.S.C. 5111, 5112, 5121, 5122)

[T.D. TTB-36, 70 FR 62246, Oct. 31, 2005]

### § 26.46 Distilled spirits plant proprietor's special (occupational) tax.

(a) *General.* Except as otherwise provided in paragraph (b) of this section, every proprietor of a distilled spirits plant producing industrial spirits, denatured spirits, or products made with denatured spirits, for shipment to the United States, shall file Form 5630.5 with TTB in accordance with instructions on the form and pay special (occupational) tax as a distilled spirits plant proprietor in accordance with part 19 of this chapter.

(b) *Suspension of tax.* During the period from July 1, 2005, through June 30, 2008, the rate of the tax described in paragraph (a) of this section is zero. However, every person described in paragraph (a) of this section must register by filing the special tax return on

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Form 5630.5, in accordance with part 19 of this chapter, during the suspension period even though the amount of tax due is zero.

(26 U.S.C. 5081, 5314)

[T.D. ATF-271, 53 FR 17559, May 17, 1988, as amended by T.D. TTB-36, 70 FR 62246, Oct. 31, 2005]

### § 26.47 Specially denatured spirits user's and dealer's special (occupational) taxes.

Every user of specially denatured spirits who manufactures products made with such spirits for shipment to the United States, and every dealer in specially denatured spirits who ships such spirits to the United States, who is required by § 26.36 to obtain a permit under part 20 of this chapter, shall file Form 5630.5 with TTB in accordance with instructions on the form and pay special (occupational) tax as a user or dealer in specially denatured spirits under part 20 of this chapter.

(S.C. 5271, 5276, 5314)

[T.D. ATF-271, 53 FR 17559, May 17, 1988. Re-designated and amended by T.D. ATF-459, 66 FR 38550, July 25, 2001]

## Subpart D—Formulas for Products From Puerto Rico

SOURCE: 44 FR 71709, Dec. 11, 1979, unless otherwise noted.

### § 26.50 Formulas for liquors.

(a) *Distilled spirits products.* Except for products which are exempt from tax, as specified in § 26.36, formulas are required by part 5 of this chapter for distilled spirits products shipped to the United States from Puerto Rico. If a formula is submitted to cover only the production of spirits which are to be transferred to the bonded premises of a DSP under 26 U.S.C. 5232, the formula shall include a statement to that effect. If any product contains liquors made outside of Puerto Rico, the country of origin for each such liquor shall be stated on the formula. These formulas shall be submitted on TTB Form 5110.38, in accordance with § 26.54.

(b) *Wine.* Persons in Puerto Rico who ship wine to the United States shall comply with the formula requirements of 27 CFR part 240. If any wine contains

liquors made outside of Puerto Rico, the country of origin for each such liquor shall be stated on the formula. All formulas required by this paragraph shall be submitted on TTB Form 698 Supplemental, in accordance with § 26.54.

(Approved by the Office of Management and Budget under control number 1512-0204)

[T.D. ATF-198, 50 FR 8549, Mar. 1, 1985. Redesignated and amended by T.D. ATF-459, 66 FR 38551, July 25, 2001]

**§ 26.50a Verification of eligible flavors.**

(a) Any person who, after December 1, 1990, ships to the United States any distilled spirits on which the tax has been or is to be paid or determined at an effective tax rate based in part on the alcohol content derived from any eligible flavor not previously approved on TTB Form 5530.5 (1678) or 5150.19 shall, before the first tax determination at that rate, request and receive a statement of eligibility for each flavor to be used in the computation of the effective tax rate.

(b) To receive a statement of eligibility, the person shipping the distilled spirits shall submit to the TTB Alcohol and Tobacco Laboratory, 6000 Ammendale Road, Ammendale, MD 20705, the following:

(1) An 8-ounce sample; and

(2) A statement of composition using TTB Form 5154.1 or a letterhead request that lists the—

(i) Name and percentage of alcohol by volume of the flavor; and

(ii) Name and quantity of each ingredient used in the manufacture of the flavor.

(Approved by the Office of Management and Budget under control number 1512-0203)

(Act of August 16, 1954, Pub. L. 591, 68A Stat. 907, as amended (26 U.S.C. 7652); Sec. 201, Pub. L. 85-859, 72 Stat. 1314, as amended (26 U.S.C. 5001); Sec. 6, Pub. L. 96-598, 94 Stat. 3488, as amended (26 U.S.C. 5010))

[T.D. ATF-297, 55 FR 18066, Apr. 30, 1990, as amended by T.D. ATF-451, 66 FR 21669, May 1, 2001; T.D. TTB-44, 71 FR 16944, Apr. 4, 2006]

**§ 26.51 Formulas for articles, eligible articles and products manufactured with denatured spirits.**

(a) *Formulas for articles and eligible articles.* Formulas for articles made with distilled spirits must show the quan-

tity and proof of the distilled spirits used, and the percentage of alcohol by volume contained in the finished product. Formulas for articles made with beer or wine must show the kind and quantity thereof (liquid measure), and the percent of alcohol by volume of such beer or wine. Formulas and samples for eligible articles are required in accordance with subpart F of part 17 of this chapter.

(b) *Formulas for products manufactured with denatured spirits.* Products manufactured with denatured spirits shall be manufactured in accordance with the formula requirements of part 20 of this chapter for similar products made in the United States.

(1) Products may be made with completely denatured alcohol for sale under brand names under part 20 of this chapter without obtaining an approved formula. If ingredients are added in sufficient quantities to materially change the composition and character of the completely denatured alcohol, the product is not classified as completely denatured alcohol and may not be marked, branded, or sold as completely denatured alcohol.

(2) Products made with specially denatured spirits shall be made in accordance with (i) a general-use formula approved as provided in part 20 of this chapter, or (ii) an approved formula on Form 5150.19, or previously approved on TTB Form 1479-A or 27-B Supplemental.

(c) *Formulas required.* Formulas required by this section shall be submitted on Form 5150.19, except that formulas for eligible articles shall be submitted on Form 5154.1 (formerly 1678). Formulas shall be submitted in accordance with § 26.54. Any formula for an eligible article approved on Form 5150.19 prior to October 23, 1986 shall continue to be valid until revoked or voluntarily surrendered. Any person holding such a formula is not required to submit a new formula.

(Approved by the Office of Management and Budget under control number 1512-0494)

[44 FR 71709, Dec. 11, 1979, as amended by T.D. ATF-199, 50 FR 9198, Mar. 6, 1985; T.D. ATF-263, 52 FR 46593, Dec. 9, 1987; T.D. ATF-379, 61 FR 31427, June 20, 1996. Redesignated and amended by T.D. ATF-459, 66 FR 38550, 38551, July 25, 2001]