§ 19.68 Other businesses.

The appropriate TTB officer may authorize the carrying on of other businesses (not specifically prohibited by 26 U.S.C. 5601(a)(6)) on premises of plants if he finds that those businesses will not jeopardize the revenue, hinder the effective administration of this part, or be contrary to law. The authorization will designate the premises (i.e., bonded or general) on which such other business is to be conducted.

(Sec. 201, Pub. L. 85–859, 72 Stat. 1333, as amended (26 U.S.C. 5178))

§ 19.70 Exemptions to meet the requirements of National defense.

The appropriate TTB officer may temporarily exempt proprietors from any provision of the internal revenue laws or this part relating to spirits except those requiring payment of tax thereon whenever in his judgement it is expedient to do so to meet the requirements of the National defense.

(Sec. 201, Pub. L. 85–859, 72 Stat. 1397, as amended (26 U.S.C. 5561))

§ 19.71 Experimental or research operations by scientific institutions and colleges of learning.

(a) General. The appropriate TTB officer may authorize any scientific university, college of learning, or institution of scientific research to produce, receive, blend, treat, test, and store spirits, without payment of tax, for experimental or research use but not for consumption (other than organoleptic tests) or sale, in quantities as may be reasonably necessary for such purposes. The appropriate TTB officer may waive any provision of 26 U.S.C. Chapter 51 (other than 26 U.S.C. 5312), or this part (other than this section) to the extent necessary to effect the purposes of 26 U.S.C. 5312(a), except he may not waive the payment of any tax on distilled spirits removed from any university, college, or institution.

(b) Qualification. Any university, college, or institution desiring to conduct any of the experimental or research operations listed in the preceding paragraphs shall make written application, to the appropriate TTB officer and obtain approval of the proposed operations. The applicant shall file with the application a bond in a form and penal sum as required by the appropriate TTB officer. The application shall state the nature, extent, and purpose of the operations to be conducted and describe the operations and equipment, the location at which operations will be conducted (including identification of the building or buildings, or the portions thereof to be used), and the security measures to be provided. The appropriate TTB officer may require any additional information. Operations shall not be commenced until authorized by the appropriate TTB officer.

(c) Records. Reports concerning the operations need not be submitted unless required by the appropriate TTB officer, but records of the quantities of spirits produced, received, and used each day shall be made and retained for inspection by appropriate TTB officers.

(d) Discontinuance of operations. When operations authorized by the appropriate TTB officer are discontinued, all remaining spirits shall be disposed of by destruction. When these spirits have been destroyed, notice of the discontinuance of operations shall be given to the appropriate TTB officer.

(Sec. 201, Pub. L. 85–859, 72 Stat. 1375, as amended (26 U.S.C. 5312))


EffectivE Date Note: By T.D. TTB–79, 74 FR 37403, July 28, 2009, §19.71 was amended in paragraph (a) by removing the last sentence, effective July 28, 2009 through July 30, 2012.

§ 19.72 Other businesses.

Application to conduct at a distilled spirits plant a type of business other than that of a distiller, warehouseman, or processor may be approved by the appropriate TTB officer if the appropriate TTB officer has, as provided in §19.68, authorized the carrying on of a business of the type proposed, unless the appropriate TTB officer finds that there are particular conditions in respect to the applicant's plant that would cause the carrying on of such