the amount of $2,000. For each additional
10,000 proof gallons (or fraction thereof), the bond amount is increased
$1,000. The maximum bond for a me-
dium plant is $50,000.

(b) Large plants. The minimum bond
for a large plant is $52,000 (more than
500,000, but not more than 510,000 proof
gallons annual production (including
receipts)). For each additional 10,000
(or fraction) proof gallons, the amount
of the bond is increased $2,000. The
maximum bond for a large plant is
$200,000 (more than 1,240,000 proof gal-
lons).

§ 19.957 Instructions to compute bond
penal sum.

(a) Medium plants. To find the re-
cquired amount of your bond, estimate
the total proof gallons of spirits to be
produced and received in a calendar
year. The amount of the bond is $1,000
for each 10,000 proof gallons (or frac-
tion), subject to a minimum of $2,000
and a maximum of $50,000. The fol-
lowing table provides some examples:

<table>
<thead>
<tr>
<th>ANNUAL PRODUCTION AND RECEIPTS IN PROOF GALLONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>10,000</td>
</tr>
<tr>
<td>20,000</td>
</tr>
<tr>
<td>90,000</td>
</tr>
<tr>
<td>190,000</td>
</tr>
<tr>
<td>490,000</td>
</tr>
</tbody>
</table>

(b) Large plants. To find the required
amount of your bond, estimate the
total proof gallons of spirits to be
produced and received in a calendar
year. The amount of the bond is $50,000 plus
$2,000 for each 10,000 proof gallons (or
fraction) over 500,000. The following
table provides some examples:

<table>
<thead>
<tr>
<th>ANNUAL PRODUCTION AND RECEIPTS IN PROOF GALLONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>500,000</td>
</tr>
<tr>
<td>510,000</td>
</tr>
<tr>
<td>740,000</td>
</tr>
<tr>
<td>990,000</td>
</tr>
<tr>
<td>1,240,000</td>
</tr>
</tbody>
</table>

§ 19.958 Conditions of bond.

The bond shall be conditioned on
payment of all taxes (including any
penalties and interest) imposed by 26
U.S.C. Chapter 51, on compliance with
all requirements of law and regula-
tions, and on payment of all penalties
incurred or fines imposed for violations
of any such provisions.

§ 19.959 Additional provisions with re-
spect to bonds.

Subpart H of this part contains fur-
ther provisions applicable to bonds
which, where not inconsistent with
this subpart, are applicable to bonds of
alcohol fuel plants.

CONSTRUCTION, EQUIPMENT AND
SECURITY

§ 19.965 Construction and equipment.

Buildings and enclosures where dis-
tilled spirits will be produced, proc-
essed, or stored shall be constructed
and arranged to enable the proprietor
to maintain security adequate to deter
deviation of the spirits. Distilling
equipment shall be constructed to pre-
vent 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 con-
structed to allow for determining the
quantities of spirits therein.


Proprietors shall provide security
adequate to deter the unauthorized re-
moval of spirits. The proprietor shall
store spirits either in a building, a
storage tank, or within an enclosure,
which the proprietor will keep locked