

shall inspect the merchandise to determine whether the quantity specified on the Form 487B is contained in the shipment. He will then execute his certificate on each copy of Form 487B received and indicate thereon any exceptions found at the time of discharge. The statement of exceptions should show the serial number of each case or other shipping container which sustained a loss, the quantity of liquor reported shipped in such container and the quantity lost. Losses occurring as the result of missing bottles, cases, or other containers should be listed separately from empty containers and containers which have sustained losses due to breakage. Where the statement is made on the basis of bottles missing or lost due to other cause, the number and size of bottles lost should be shown. If the district director of customs finds that the full amount of the taxes due has not been paid, he will require the difference due to be paid prior to release of the merchandise in accordance with the applicable provisions of this part. When the proper inspection of the merchandise has been effected, and any additional taxes found to be due on the liquors or articles collected, the merchandise will be released.

[20 FR 6077, Aug. 20, 1955, as amended by T.D. 7006, 34 FR 2249, Feb. 15, 1969. Redesignated at 40 FR 16835, Apr. 15, 1975. T.D. ATF-451, 66 FR 21669, May 1, 2001]

**§ 26.119 Disposition of forms by district director of customs.**

Two copies of the Form 487B will be forwarded to the appropriate TTB officer, and one copy of the form will be retained by the district director of customs and be available for inspection by appropriate TTB officers.

[T.D. ATF-451, 66 FR 21669, May 1, 2001]

**Subpart F—Liquors and Articles Purchased by Tourists in Puerto Rico**

**§ 26.125 Taxable.**

When liquors and articles subject to tax are brought into the United States by tourists, the tax thereon shall be paid as provided in this subpart.

**§ 26.126 Taxpayment in Puerto Rico.**

Liquors upon which all Federal internal revenue taxes have been paid in Puerto Rico may be brought into the United States for personal consumption without payment of additional taxes. When distilled spirits, wines, or beer are purchased by a tourist for consumption in the United States, the internal revenue tax due may be paid to the appropriate TTB officer, and an TTB receipt obtained, or the tax may be paid to the U.S. Customs authorities, who will issue a customs receipt. The tax on articles purchased by tourists may be paid in the same manner. The receipt received from the appropriate TTB officer or from the customs officer shall be presented, as required, as evidence that the tax has been paid.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1335, as amended, 1358, as amended (26 U.S.C. 5061, 5205))

[T.D. ATF-206, 50 FR 23954, June 7, 1985, as amended by T.D. ATF-251, 52 FR 19339, May 22, 1987]

**§ 26.128 Taxpayment at port of arrival.**

If the internal revenue tax on liquors and articles is not paid in Puerto Rico, it shall be paid by the tourist at the port of arrival prior to release of the liquors or articles from customs custody. The tax may be paid to an appropriate TTB officer, and an TTB receipt obtained, or the tax may be paid to the director of customs, who will issue a customs receipt. If payment is to be made to an appropriate TTB officer, the director of customs will notify the appropriate TTB officer of the amount of tax due. On payment of the tax to the director of customs, or on submission of the TTB receipt for the tax, the director of customs will release the liquors or articles.

[T.D. ATF-251, 52 FR 19339, May 22, 1987, as amended by T.D. ATF-451, 66 FR 21669, May 1, 2001]

**Subpart G—Closures for Distilled Spirits From Puerto Rico**

**§ 26.135 Containers of distilled spirits to bear closures.**

Containers of 1 gallon (3.785 liters) or less of distilled spirits, upon which all Federal internal revenue taxes have

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been paid or deferred in Puerto Rico under provisions of this part, shall have closures or other devices affixed in accordance with the provisions of this part, prior to shipment to the United States.

(Sec. 454, Pub. L. 98-369, 98 Stat. 494 (26 U.S.C. 5301))

[T.D. ATF-206, 50 FR 23954, June 7, 1985]

### § 26.136 Affixing closures.

Closures or other devices shall be securely affixed to containers having capacity of 1 gallon (3.785 liters) or less so as to leave a portion remaining on the container when it is opened. In addition, the closures or other devices shall be constructed in such a manner as to require that they be broken to gain access to the contents of the containers.

(Sec. 454, Pub. L. 98-369, 98 Stat. 494 (26 U.S.C. 5301))

[T.D. ATF-206, 50 FR 23954, June 7, 1985]

## Subpart H—Records and Reports of Liquors From Puerto Rico

### § 26.163 General requirements.

Except as provided in § 26.164, every person, other than a tourist, bringing liquor into the United States from Puerto Rico shall keep records and render reports of the physical receipt and disposition of such liquors in accordance with part 31<sup>1</sup> of this chapter: *Provided*, That if the person who is responsible for release of the liquors from customs custody does not take physical possession of the liquors, he shall keep commercial records reflecting such release; such records shall identify the kind and quantity of the liquors released, the name and address of the person receiving the liquors from customs custody, and shall be filed chronologically by release dates. Records and reports will not be re-

<sup>1</sup>(“Alcohol Beverage Dealers”)

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quired under this part with respect of liquors while in customs custody.

(Approved by the Office of Management and Budget under control number 1512-0352)

(72 Stat. 1342, 1395; 26 U.S.C. 5114, 5555)

[T.D. ATF-2, 37 FR 22736, Oct. 21, 1972. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-172, 49 FR 14943, Apr. 16, 1984. Redesignated and amended by T.D. ATF-459, 66 FR 38550, 38552, July 25, 2001; T.D. TTB-25, 70 FR 19883, Apr. 15, 2005]

### § 26.164 Proprietors of taxpaid premises.

Transactions involving the bringing of liquors into the United States from Puerto Rico by proprietors of distilled spirits plants in the United States qualified under the provisions of this chapter shall be recorded and reported in accordance with the regulations governing the operations of such premises in the United States.

[T.D. 6402, 24 FR 6090, July 30, 1959. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-198, 50 FR 8551, Mar. 1, 1985]

### § 26.164a Package gauge record.

When required in this part, with respect to Puerto Rican spirits, a package gauge record shall be prepared to show:

- (a) The date prepared;
- (b) The related transaction form and its serial number;
- (c) The producer or rectifier (processor) of the spirits, and his name, address, and plant registration number; and
- (d) For each package, the:
  - (1) Package identification or serial number;
  - (2) Kind of spirits;
  - (3) Gross weight;
  - (4) Tare;
  - (5) Net weight;
  - (6) Proof gallons; and
  - (7) Proof.

(Approved by the Office of Management and Budget under control number 1512-0250)

[T.D. ATF-198, 50 FR 8551, Mar. 1, 1985]

### § 26.165 Certificate of effective tax rate computation.

(a) Where distilled spirits of Puerto Rican manufacture which contain eligible wine or eligible flavors are to be