§ 31.4 Relation to State and municipal law.

Compliance with the requirements of this part shall not be deemed a separation for the purposes of this part, if the various divisions are otherwise contiguous.

Reclaim. To grind up a liquor bottle or container and use the ground up material to make products other than liquor bottles or containers.

Recycle. To grind up a liquor bottle or container and use the ground up material to make new liquor bottles or containers.

Sale at retail or retail sale. Sale of liquors to a person other than a dealer.

Sale at wholesale or wholesale sale. Sale of liquors to a dealer.

This chapter. Chapter I of title 27 of the Code of Federal Regulations.


Wine. When used without qualification, the term includes every kind (class and type) of product produced on bonded wine premises from grapes, other fruit (including berries), or other suitable agricultural products and containing not more than 24 percent of alcohol by volume. The term includes all imitation, other than standard, or artificial wine and compounds sold as wine. A wine product containing less than one-half of one percent alcohol by volume is not taxable as wine when removed from the bonded wine premises. (26 U.S.C. 5002, 5041, 5052, 7805)

§ 31.2 Territorial extent.

The provisions of this part shall be applicable in the several States of the United States and the District of Columbia.

§ 31.3 Basic permit requirements.

Every person, except an agency of a State or political subdivision thereof, who intends to engage in the business of purchasing distilled spirits, wines, or beer for sale to other dealers for nonindustrial use, or to engage in the business of importing distilled spirits, wines, or beer for nonindustrial use, is required under part 1 of this chapter to obtain a basic permit authorizing such person to engage in such business.
§31.11 Forms prescribed.

(a) The appropriate TTB officer is authorized to prescribe all forms required by this part. All of the information called for in each form shall be furnished as indicated by the headings on the form and the instructions on or pertaining to the form. In addition, information called for in each form shall be furnished as required by this part.

(b) Forms prescribed by this part are available for printing through the TTB Web site (http://www.ttb.gov) or by mailing a request to the Alcohol and Tobacco Tax and Trade Bureau, National Revenue Center, 550 Main Street, Room 1516, Cincinnati, OH 45202.

§31.12 Right of entry and examination.

Any appropriate TTB officer may enter during business hours the premises (including places of storage) of any dealer for the purpose of inspecting or examining any records or other documents required to be kept by such dealer under this part and any distilled spirits, wines, or beer kept or stored by such dealer on such premises.

§31.13 Delegations of the Administrator.

The regulatory authorities of the Administrator contained in this part are delegated to appropriate TTB officers. These TTB officers are specified in TTB Order 1135.31, Delegation of the Administrator’s Authorities in 27 CFR Part 31, Alcohol Beverage Dealers. You may obtain a copy of this order by accessing the TTB Web site (http://www.ttb.gov) or by mailing a request to the Alcohol and Tobacco Tax and Trade Bureau, National Revenue Center, 550 Main Street, Room 1516, Cincinnati, OH 45202.

§31.14 Penalties.

(a) Criminal penalties. Criminal penalties for failure to comply with the requirements of this part are imposed by 26 U.S.C. 5603 and 5687. A failure to register as required by this part may result in a penalty under 26 U.S.C. 5603(b).

(b) Administrative penalty. An administrative penalty for failure to supply the required identifying number (employer identification number) in a dealer’s registration is imposed by 26 U.S.C. 6723. The penalty is $50 for each such failure, but not more than $100,000 for all such failures during a calendar year. A failure to submit a registration includes a failure to include the identifying number on the registration.

(c) Reasonable cause. The administrative penalty described in paragraph (b) of this section is not imposed when it is shown that the failure was due to reasonable cause and not due to willful neglect. A dealer who believes that the circumstances that led to the failure were reasonable and who desires to have the penalty waived shall submit a written statement, under the penalty of perjury, affirmatively showing all of the circumstances alleged as reasonable causes for the failure. If the appropriate TTB officer determines that the failure was due to a reasonable cause and not to willful neglect, the penalty will not be assessed. If the dealer exercised ordinary business care and prudence but was nevertheless unable to comply with the requirement, then the failure was due to reasonable cause. Mere ignorance of the law will not be considered a reasonable cause.

§31.15 Disclosure of information.

Alcohol dealer registration forms are ”information returns” as that term is used in 26 U.S.C. 6103 and, as such, are not subject to disclosure except as provided in that law.