

(c) *Depletions.* The inventory reserve account for each product must be depleted in the same order in which the deposit records were entered into the account. The proprietor must record a depletion for each disposition (for example, a taxable removal, an exportation, or an inventory shortage or breakage) by entering on the deposit record:

- (1) The transaction date;
- (2) The transaction record serial number;
- (3) The proof gallons disposed of; and
- (4) The proof gallons remaining. If any depletion exceeds the quantity of product remaining on the deposit record, the proprietor must deplete the remaining quantity, close the deposit record, and then deplete the remainder of the transaction from the next deposit record.

(26 U.S.C. 5207)

§ 19.615 Standard effective tax rate records.

For each product to be tax determined using a standard effective tax rate in accordance with § 19.248, a proprietor must prepare a record of the standard effective tax rate computation showing, for one proof gallon of the finished product, the following information:

- (a) The name of the product;
- (b) The least quantity of each eligible flavor that will be used in the product, in proof gallons, or 0.025 proof gallon, whichever is less;
- (c) The least quantity of each eligible wine that will be used in the product, in proof gallons;
- (d) The greatest effective tax rate applicable to the product, calculated in accordance with § 19.246 with the values indicated in paragraphs (a) and (b) of this section; and
- (e) The date on which the use of the standard effective tax rate commenced.

(26 U.S.C. 5207)

OTHER REQUIRED RECORDS

§ 19.616 Records of samples.

(a) *Required records.* A proprietor must maintain records of all samples taken under §§ 19.434 and 19.435. The sample record must show the:

- (1) The date that the samples were taken;
- (2) The account from which taken;
- (3) The purpose for which taken;
- (4) The size and number of samples taken;
- (5) The kind of spirits;
- (6) The disposition of each sample (for example, destroyed, returned to containers or the distilling system, retained for library purposes); and
- (7) The name and address of the recipient of the sample if a sample is to be analyzed or tested elsewhere than at the distilled spirits plant where taken.

(b) *Sample schedule.* When a proprietor takes samples pursuant to an established schedule, the proprietor may maintain the schedule as the required record if it contains the information required by paragraphs (a)(2) through (a)(7).

(26 U.S.C. 5207)

§ 19.617 Destruction records.

Each time that a proprietor voluntarily destroys spirits, denatured spirits, articles, or wines, the proprietor must prepare a record of the destruction that sets forth:

- (a) The identification of the spirits, denatured spirits, articles, or wines, including kind, quantity, elements of gauge, name and permit number of the producer, warehouseman or processor, and identity and type of container;
- (b) The date, time, place and manner of the destruction;
- (c) A statement that the spirits had, or had not, previously been withdrawn and returned to bond; and
- (d) The name and title of any representative of the proprietor who accomplished or supervised the destruction.

(26 U.S.C. 5207)

§ 19.618 Gauge record.

When a gauge record is required by this part, the proprietor must prepare the gauge record in a manner that shows:

- (a) The serial number of the gauge record, which must either:
 - (1) Commence with "1" at the start of each calendar or fiscal year, or
 - (2) Be a unique identifying number that is not repeated.

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(b) From the following, the applicable circumstances requiring the gauge—

(1) Production gauge and entry for deposit in the storage or processing account at the distilled spirits plant where the spirits were produced;

(2) Packaging of spirits or wine filled from a tank in the storage account at the same distilled spirits plant;

(3) Transfer from the processing or storage account to the production account for redistillation;

(4) Repackaging of spirits of 190° or more of proof; or

(5) Gauge on return to bond in production or processing operations of spirits, denatured spirits, recovered spirits, recovered denatured spirits, articles, recovered articles, or spirits residues;

(c) The date of the gauge;

(d) Any related form or record (identification, serial number and date);

(e) The kind of spirits or formula number for denatured spirits;

(f) The proof of distillation (not required for denatured spirits, spirits for redistillation, or spirits of 190° or more of proof);

(g) When containers are to be filled, the type and number of containers;

(h) The age of the spirits;

(i) The name and distilled spirits plant number of the producer or warehouseman; and

(j) The following gauge data—

(1) Package identification, tank number, volumetric or weight gauge details, proof, and wine gallons;

(2) Cooperage identification (“C” for charred, “REC” for recharred, “P” for plain, “PAR” for paraffined, “G” for glued, or “R” for reused, and “PS” if a barrel has been steamed or water soaked before filling);

(3) Entry proof for whiskey;

(4) Proof gallons per filled package; and

(5) Total proof gallons of spirits or wine gallons of denatured spirits, recovered denatured spirits, articles, spirits residues, or wine.

(26 U.S.C. 5207)

§ 19.619 Package gauge record.

When this part or part 28 of this chapter requires a proprietor to gauge packages of spirits, the proprietor

must prepare a package gauge record in a manner that shows:

(a) The date the record is prepared;

(b) The identity of the related transaction form or record, and its serial number;

(c) The name and distilled spirits plant number of the producer or processor. For blended rums or brandies the proprietor must enter the name and plant number of the blending warehouseman. For spirits of 190° or more of proof, the proprietor must enter the name and plant number of the producer or warehouseman, as appropriate and, where the packages have already been marked, the name and distilled spirits plant number marked thereon. For imported spirits, the proprietor must enter the name of the warehouseman who received the spirits from customs custody and the name of the importer. For Virgin Islands or Puerto Rican spirits, the proprietor must enter the name of the producer in the Virgin Islands or Puerto Rico;

(d) The proof of distillation for spirits not over 190° of proof; and

(e) For each package—

(1) The serial or identification number;

(2) The designation for wooden barrels (“C” for charred, “REC” for recharred, “P” for plain, “PAR” for paraffined, “G” for glued, “R” for reused, and “PS” if a barrel has been steamed or water soaked before filling);

(3) The kind of spirits;

(4) The gross weight determined at the time of the original gauge or regauge or at the time of shipment;

(5) The present tare on regauge;

(6) The net weight for filling gauge or regauge;

(7) The proof;

(8) The proof gallons for regauge;

(9) The original proof gallons; and

(10) The receiving weights, when a material difference appears on receipt after transfer in bond of weighed packages.

(26 U.S.C. 5207)

§ 19.620 Transfer record—consignor’s responsibility.

When this part requires a consignor proprietor to prepare a transfer record covering spirits, denatured spirits, or