shall include the combined production of beer by all member brewers when determining eligibility under the 2,000,000 limitation. The reduced rate of tax applies to the first 60,000 barrels of beer removed for consumption or sale in a calendar year by the controlled group of brewers; the controlled group of brewers shall apportion the 60,000 barrels among member brewers in the manner described in each brewer’s notice as provided by §25.167(b)(3).

§ 25.153 Persons liable for tax.

The tax imposed by law on beer (including beer purchased or procured by one brewer from another) shall be paid by the brewer of the beer at the brewery where produced. The tax on beer transferred to a brewery from other breweries owned by the same brewer in accordance with subpart L of this part shall be paid by the brewer at the brewery from which the beer is removed for consumption or sale.

§ 25.155 Types of containers.

Beer may be removed from a brewery for consumption or sale only in barrels, kegs, bottles, and similar containers, as provided in this part. A container which the appropriate TTB officer determines to be similar to a bottle or can will be treated as a bottle for purposes of this part. A container which the appropriate TTB officer determines to be similar to a barrel or keg and which conforms to one of the sizes prescribed for barrels or kegs in §25.156 will be treated as such for purposes of this part.

§ 25.156 Determination of tax on keg beer.

(a) In determining the tax on beer removed in kegs, a barrel is regarded as a quantity of not more than 31 gallons. The authorized fractional parts of a barrel are whole barrels, halves, thirds, quarters, sixths, and eighths, and beer may be removed in kegs rated at those capacities. The following keg sizes are also authorized at the stated barrel equivalents:

<table>
<thead>
<tr>
<th>Size of keg</th>
<th>Barrel equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 gallons</td>
<td>0.16129</td>
</tr>
<tr>
<td>30 liter</td>
<td>0.25565</td>
</tr>
<tr>
<td>50 liter</td>
<td>0.42608</td>
</tr>
</tbody>
</table>

(b) If any barrel or authorized size keg contains a quantity of beer more than 2 percent in excess of its rated capacity, tax will be determined and paid on the actual quantity of beer (without benefit of any tolerance) contained in the keg.

(c) The quantities of keg beer removed subject to tax will be computed to 5 decimal places. The sum of the quantities computed for any one day will be rounded to 2 decimal places and the tax will be calculated and paid on the rounded sum.

§ 25.157 Determination of tax on bottled beer.

The quantities of bottled beer removed subject to tax shall be computed to 5 decimal places in accordance with the table and instructions in §25.158. The sum of the quantities computed for any one day will be rounded to 2 decimal places and the tax will be calculated and paid on the rounded sum.

§ 25.158 Tax computation for bottled beer.

Barrel equivalents for various case sizes are as follows:

(a) For U.S. measure bottles.

<table>
<thead>
<tr>
<th>Bottle size (net contents in fluid ounces)</th>
<th>Number of bottles per case</th>
<th>Barrel equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>12</td>
<td>0.01815</td>
</tr>
</tbody>
</table>
§ 25.159 Time of tax determination and payment; offsets.

(a) Time and payment. The tax on beer will be determined at the time of its removal for consumption or sale, and will be paid by return as provided in this part.

(b) Offsets. During any business day, the quantity of beer returned to the same brewery from which removed is to be taken as an offset against or deducted from the total quantity of beer removed for consumption or sale from that brewery on the day that the beer is returned.

§ 25.160 Tax adjustment for brewers who produce more than 2,000,000 barrels of beer.

Each brewer who has paid tax on beer by return, Form 5000.24, at the reduced rate of tax during a calendar year, but whose production (or the production of a controlled group of brewers of which the brewer is a member) exceeds 2,000,000 barrels of beer in that calendar year, is no longer eligible to pay tax on beer at the reduced rate of tax for any beer removed that calendar year for consumption or sale. The brewer shall make a tax adjustment for the payment of additional tax no later than the return period in which production (or the production of a controlled group of brewers of which the brewer is a member) exceeds 2,000,000 barrels of beer. The adjustment will be determined by multiplying the difference between the higher and lower rates of tax applicable to beer by the number of barrels removed by the brewer that year at the reduced rate of tax. The

<table>
<thead>
<tr>
<th>Bottle size (net contents in fluid ounces)</th>
<th>Number of bottles per case</th>
<th>Barrel equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>24</td>
<td>0.03629</td>
</tr>
<tr>
<td>7</td>
<td>12</td>
<td>0.02117</td>
</tr>
<tr>
<td>7</td>
<td>24</td>
<td>0.04634</td>
</tr>
<tr>
<td>7</td>
<td>32</td>
<td>0.05645</td>
</tr>
<tr>
<td>7</td>
<td>35</td>
<td>0.06174</td>
</tr>
<tr>
<td>7</td>
<td>36</td>
<td>0.06351</td>
</tr>
<tr>
<td>7</td>
<td>40</td>
<td>0.07056</td>
</tr>
<tr>
<td>7</td>
<td>48</td>
<td>0.08468</td>
</tr>
<tr>
<td>8</td>
<td>12</td>
<td>0.02419</td>
</tr>
<tr>
<td>8</td>
<td>24</td>
<td>0.04839</td>
</tr>
<tr>
<td>8</td>
<td>36</td>
<td>0.07258</td>
</tr>
<tr>
<td>8</td>
<td>48</td>
<td>0.09677</td>
</tr>
<tr>
<td>10</td>
<td>12</td>
<td>0.03024</td>
</tr>
<tr>
<td>10</td>
<td>24</td>
<td>0.06048</td>
</tr>
<tr>
<td>10</td>
<td>48</td>
<td>0.12097</td>
</tr>
<tr>
<td>11</td>
<td>12</td>
<td>0.03327</td>
</tr>
<tr>
<td>11</td>
<td>24</td>
<td>0.06653</td>
</tr>
<tr>
<td>11.5</td>
<td>24</td>
<td>0.06956</td>
</tr>
<tr>
<td>12</td>
<td>12</td>
<td>0.03629</td>
</tr>
<tr>
<td>12</td>
<td>15</td>
<td>0.04636</td>
</tr>
<tr>
<td>12</td>
<td>20</td>
<td>0.06048</td>
</tr>
<tr>
<td>12</td>
<td>24</td>
<td>0.07258</td>
</tr>
<tr>
<td>12</td>
<td>30</td>
<td>0.09073</td>
</tr>
<tr>
<td>12</td>
<td>48</td>
<td>0.14516</td>
</tr>
<tr>
<td>12</td>
<td>50</td>
<td>0.15121</td>
</tr>
<tr>
<td>14</td>
<td>12</td>
<td>0.04234</td>
</tr>
<tr>
<td>14</td>
<td>24</td>
<td>0.08468</td>
</tr>
<tr>
<td>16 (1 pint)</td>
<td>12</td>
<td>0.04839</td>
</tr>
<tr>
<td>16 (1 pint)</td>
<td>24</td>
<td>0.09677</td>
</tr>
<tr>
<td>22</td>
<td>12</td>
<td>0.06653</td>
</tr>
<tr>
<td>22</td>
<td>24</td>
<td>0.13306</td>
</tr>
<tr>
<td>24</td>
<td>12</td>
<td>0.07258</td>
</tr>
<tr>
<td>24</td>
<td>24</td>
<td>0.14516</td>
</tr>
<tr>
<td>30</td>
<td>12</td>
<td>0.09073</td>
</tr>
<tr>
<td>32 (1 quart)</td>
<td>12</td>
<td>0.12097</td>
</tr>
<tr>
<td>40</td>
<td>12</td>
<td>0.12097</td>
</tr>
<tr>
<td>64</td>
<td>1</td>
<td>0.01613</td>
</tr>
<tr>
<td>64</td>
<td>4</td>
<td>0.06452</td>
</tr>
<tr>
<td>64</td>
<td>6</td>
<td>0.09677</td>
</tr>
<tr>
<td>128 (1 gallon)</td>
<td>1</td>
<td>0.03226</td>
</tr>
<tr>
<td>288</td>
<td>1</td>
<td>0.07258</td>
</tr>
</tbody>
</table>

(c) For other case sizes. If beer is to be removed in cases or bottles of sizes other than those listed in the above tables, the brewer shall notify the appropriate TTB officer in advance and request to be advised of the fractional barrel equivalent applicable to the proposed case size.

(26 U.S.C. 5412)