§ 26.109 Taxpayment.

(a) Distilled spirits. The tax on distilled spirits contained in articles to be shipped to the United States, equal to the tax imposed in the United States by 26 U.S.C. 5001(a)(1), shall be computed in accordance with §26.79 and paid in accordance with the applicable provisions of §§26.80, 26.81, and 26.111 through 26.113.

(b) Wine. The tax on wine used in the manufacture of articles to be shipped to the United States, equal to the tax imposed in the United States by 26 U.S.C. 5041, shall be computed in accordance with §26.94 and paid in accordance with the applicable provisions of §§26.95, 26.96, and 26.111 through 26.113.

(c) Beer. The tax on beer used in the manufacture of articles to be shipped to the United States, equal to the tax imposed in the United States by 26 U.S.C. 5051, shall be computed in accordance with §26.103 and paid in accordance with the applicable provisions of §§26.104, 26.105, and 26.111 through 26.113.

§ 26.110 Release of articles or liquors.

After determining that the proprietor has good and sufficient bond coverage, or, in the case of prepayment, on receipt of TTB Form 5110.51 or Form 2900 executed by the appropriate TTB officer to show receipt of TTB Form 5000.25, and remittance, the revenue agent shall execute his report of release on TTB Form 5110.51 or Form 2900 and release the articles containing distilled spirits, or release the wine and/or beer for use in the manufacture of articles. He shall forward one copy of TTB Form 5110.51 or Form 2900, and any package gauge record as provided in §26.164a, to the Bureau of Alcoholic Beverage Taxes and one copy of each to the District Revenue Agent (Commonwealth of Puerto Rico), deliver one copy of each to the applicant, and retain one copy. A permit shall be obtained as provided in §§26.114 through 26.116 before the articles manufactured from such liquors may be shipped to the United States.

(Approved by the Office of Management and Budget under control number 1512–0497)

Alcohol and Tobacco Tax and Trade Bureau, Treasury § 26.112

PAYMENT OF TAX BY RETURN

§ 26.111 General.
All taxes imposed by 26 U.S.C. 7652(a), and which, under the provisions of this part, are paid in Puerto Rico, shall be paid and collected on the basis of a tax return as provided in this subpart. Any tax which has been paid in accordance with the provisions of this part in effect at the time of such payment, and before provision was made in the part for payment of such tax by return, shall be deemed to have been prepaid as prescribed in this part.


§ 26.112 Returns for deferred payment of tax.

(a) Returns. The taxes imposed by 26 U.S.C. 7652(a), (equal to the taxes imposed in the United States by 26 U.S.C. 5001(a)(1), 5041, or 5051), the payment of which has been deferred under the provisions of §§ 26.80, 26.95 or 26.104 of this part, shall be paid pursuant to a return on TTB Form 5000.25 prepared in accordance with the instructions on the form.

(b) Return periods—(1) Semimonthly return period. Except in the case of a taxpayer who qualifies for, and chooses to use, quarterly return periods as provided in paragraph (b)(2) of this section, all taxpayers must use semimonthly return periods for deferred payment of tax. The semimonthly return periods run from the 1st day through the 15th day of each month, and from the 16th day through the last day of each month, except as otherwise provided in paragraph (d) of this section.

(2) Quarterly return period. A taxpayer may choose to use a quarterly return period if the taxpayer was not liable for more than $50,000 in taxes imposed by 26 U.S.C. 7652 in the preceding calendar year and if that taxpayer reasonably expects to be liable for not more than $50,000 in such taxes during the current calendar year. In such a case the last day for paying the tax and filing the return shall be the 14th day after the last day of the calendar quarter. However, the taxpayer may not use the quarterly return period procedure for any portion of the calendar year following the first date on which the aggregate amount of tax due from the taxpayer during the calendar year exceeds $50,000, and any tax that has not been paid on that date shall be due on the 14th day after the last day of the semimonthly period in which that date occurs. The following additional rules apply to the quarterly return period procedure under this section:

(i) A “taxpayer” is an individual, corporation, partnership, or other entity that is assigned a single Employer Identification Number as defined in 26 CFR 301.7701–12;

(ii) “Reasonably expects” means that there is no existing or anticipated circumstance known to the taxpayer (such as an increase in production capacity) that would cause the taxpayer’s tax liability to exceed the prescribed limit;

(iii) A taxpayer with multiple locations must combine the tax liability for all locations with respect to distilled spirits, wine, or beer tax liability to determine eligibility for the quarterly return procedure;

(iv) A taxpayer who has both domestic operations and import transactions must combine the tax liability on the domestic operations and the imports with respect to distilled spirits, wine, or beer tax liability to determine eligibility for the quarterly return procedure;

(v) The controlled group rules of 26 U.S.C. 5061(e), which concern treatment of controlled groups as one taxpayer, do not apply for purposes of determining eligibility for the quarterly return procedure. However, a taxpayer who is eligible for the quarterly return procedure, and who is a member of a controlled group that owes $5 million or more in distilled spirits, wine, or beer excise taxes per year, is required to pay taxes by electronic fund transfer (EFT). Quarterly payments via EFT shall be transmitted in accordance with section 5061(e);

(vi) A new taxpayer is eligible to file quarterly returns in the first year of business simply if the taxpayer reasonably expects to be liable for not more than $50,000 in distilled spirits, wine, or