§ 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.

(c) Offsets not allowed. An offset or deduction for returned beer will not be allowed if:

1. The brewer was indemnified by insurance or otherwise in respect of the tax; or
2. The brewer does not issue credit to the customer for the tax on the returned beer within 30 days of the return of the beer. If the tax is not timely credited after the offset or deduction is taken, the brewer shall make an increasing adjustment on the next tax return.

(Sec. 201, Pub. L. 85–859, 72 Stat. 1333, as amended (26 U.S.C. 5051))

§ 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 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 brewer shall make tax adjustments for all breweries where tax was paid at the lower rate that year, and shall include interest payable from the date on which tax was paid at the lower rate. In the case of a controlled group of brewers whose production exceeds 2,000,000 barrels of beer, all member brewers who paid tax at the lower rate shall make tax adjustments as determined in this section.

(Sec. 201, Pub. L. 85–859, 72 Stat. 1333, as amended (26 U.S.C. 5051))

§ 25.163 Method of tax payment.

A brewer shall pay the tax on beer by return on TTB P 5000.24, as provided in §§25.164, 25.164a, 25.173, and 25.175. The brewer shall pay the tax by remittance at the time the tax return is rendered, and the remittance will be by check or money order payable to the “Bureau of Alcohol, Tobacco and Firearms” and mailed with the return, or will be effected by an electronic fund transfer. In paying the tax, a fractional part of a cent will be disregarded unless it amounts to one-half cent or more, in which case it will be increased to one cent.


§ 25.164 Quarterly and semimonthly returns.

(a) Requirement for filing. Each brewer shall pay the tax on beer (unless prepaid) by return on Form 5000.24. The brewer shall file Form 5000.24 as a return regardless of whether tax has been prepaid as provided in §25.175 during the return period. The brewer shall file a return on Form 5000.24 for each return period even though no beer was removed for consumption or sale.

(b) Payment of tax. The brewer shall include for payment with the return the full amount of tax required to be determined (and which has not been