§ 19.303

(2) To other premises for use in processes not involving the production of spirits, alcohol beverages, or vinegar by the vaporizing process; or

(3) For destruction.

(b) Residues. A proprietor may remove the residue of distilling material not introduced into the production system from the premises if the liquid is extracted from the material before removal and the liquid is not received at any distilled spirits plant or bonded wine cellar. A proprietor may return residue of beer used as distilling material to the producing brewery. A proprietor may destroy distilling material produced and wine and beer received for use as distilling material.

(c) Records. A proprietor must keep a record of removal or destruction as provided in subpart V of this part.

(26 U.S.C. 5222, 5370)

§ 19.296 Fermented materials.

Fermented materials that a proprietor intends to use in the production of spirits must be:

(a) Produced on the bonded premises where used;

(b) Received from a bonded wine cellar in the case of wine;

(c) Beer received from a brewery without payment of tax, or beer that was removed from a brewery upon determination of tax; or

(d) Apple cider exempt from tax under 26 U.S.C. 5042(a)(1).

(26 U.S.C. 5201, 5222, 5223)

§ 19.297 Use of materials in production of spirits.

A proprietor may produce spirits from any suitable material in accordance with the proprietor’s statements of production procedure in the notice of registration. Materials from which alcohol will not be produced may be used in production only if the use of the materials is described in the approved statements of production procedure. The distillation of nonpotable chemical mixtures as described in §19.36 will be deemed to be the original and continuous distillation of the spirits in such mixtures and to constitute the production of spirits.

(26 U.S.C. 5172, 5178)