

drawback of internal revenue tax on spirits and wines eligible for drawback under this subsection, including the requirements of such notices, bonds, bills of lading, and other evidence indicating payment or determination of tax and exportation as shall be deemed necessary.

(c) Exportation of imported liquors

(1) Allowance of tax

Upon the exportation of imported distilled spirits, wines, and beer upon which the duties and internal revenue taxes have been paid or determined incident to their importation into the United States, and which have been found after entry to be unmerchable or not to conform to sample or specifications, and which have been returned to customs custody, the Secretary shall, under such regulations as he shall prescribe, refund, remit, abate, or credit, without interest, to the importer thereof, the full amount of the internal revenue taxes paid or determined with respect to such distilled spirits, wines, or beer.

(2) Destruction in lieu of exportation

At the option of the importer, such imported distilled spirits, wines, and beer, after return to customs custody, may be destroyed under customs supervision and the importer thereof granted relief in the same manner and to the same extent as provided in this subsection upon exportation.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1336; amended Pub. L. 88-539, §1, Aug. 31, 1964, 78 Stat. 746; Pub. L. 89-44, title VIII, §805(f)(6), June 21, 1965, 79 Stat. 161; Pub. L. 90-630, §2(a), Oct. 22, 1968, 82 Stat. 1328; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 95-176, §1, Nov. 14, 1977, 91 Stat. 1363; Pub. L. 98-369, div. A, title IV, §454(c)(1), July 18, 1984, 98 Stat. 820.)

Editorial Notes

PRIOR PROVISIONS

A prior section 5062, act Aug. 16, 1954, ch. 736, 68A Stat. 614, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

1984—Subsec. (b). Pub. L. 98-369 substituted “have been marked” for “have been stamped or restamped, and marked”.

1977—Subsec. (b). Pub. L. 95-176 substituted in first sentence “manufactured, produced, bottled, or packaged in casks or other bulk containers” and “other bulk container” for “manufactured or produced” and “package” and in last sentence “spirits and wines eligible for drawback under this subsection, including the requirements” for “domestic distilled spirits and wines, including the requirement”.

1976—Subsecs. (a), (b), (c)(1). Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

1968—Subsec. (b). Pub. L. 90-630 permitted, under Treasury regulations, drawback of the tax where the stamping, restamping, or marking is done after the spirits have been removed from the original bottling plant.

1965—Subsec. (c)(1). Pub. L. 89-44 struck out “within six months of their release therefrom” after “customs custody”.

1964—Subsec. (c). Pub. L. 88-539 added subsec. (c).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective July 1, 1985, see section 456(b) of Pub. L. 98-369, set out as an Effective Date note under section 5101 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95-176 effective on first day of first calendar month beginning more than 90 days after Nov. 14, 1977, see section 7 of Pub. L. 95-176, set out as a note under section 5003 of this title.

EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by Pub. L. 90-630 applicable only to articles exported on or after first day of first calendar month which begins more than 90 days after Oct. 22, 1968, see section 4 of Pub. L. 90-630, set out as a note under section 5008 of this title.

EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by Pub. L. 89-44 effective July 1, 1965, see section 805(g)(1) of Pub. L. 89-44, set out as a note under section 5008 of this title.

EFFECTIVE DATE OF 1964 AMENDMENT

Pub. L. 88-539, §2, Aug. 31, 1964, 78 Stat. 746, provided that: “The amendment made by the first section of this Act [amending this section] shall apply with respect to articles exported or destroyed after the date of the enactment of this Act [Aug. 31, 1964].”

[§ 5063. Repealed. Pub. L. 89-44, title V, §501(e), June 21, 1965, 79 Stat. 150]

Section, Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1336; Pub. L. 86-75, §3(b)(1), June 30, 1959, 73 Stat. 157; Pub. L. 86-564, title II, §202(b)(1), June 30, 1960, 74 Stat. 290; Pub. L. 87-72, §3(b)(1), June 30, 1961, 75 Stat. 193; Pub. L. 87-508, §3(b)(1), June 28, 1962, 76 Stat. 114; Pub. L. 88-52, §3(b)(1)(A), June 29, 1963, 77 Stat. 72; Pub. L. 88-348, §2(b)(1)(A), June 30, 1964, 78 Stat. 237, made provision for floor stocks refunds on distilled spirits, wines, cordials, and beer and set out limitations on the eligibility for such refunds or credits.

A prior section 5063, act Aug. 16, 1954, ch. 736, 68A Stat. 615, consisted of provisions similar to those comprising section 5063, prior to the general revision of this chapter by Pub. L. 85-859.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal applicable on and after July 1, 1965, see section 701(d) of Pub. L. 89-44, set out as an Effective Date of 1965 Amendment note under section 5701 of this title.

§ 5064. Losses resulting from disaster, vandalism, or malicious mischief

(a) Payments

The Secretary, under such regulations as he may prescribe, shall pay (without interest) an amount equal to the amount of the internal revenue taxes paid or determined and customs duties paid on distilled spirits, wines, and beer previously withdrawn, which were lost, rendered unmarketable, or condemned by a duly authorized official by reason of—

- (1) fire, flood, casualty, or other disaster, or
- (2) breakage, destruction, or other damage (but not including theft) resulting from vandalism or malicious mischief,

if such disaster or damage occurred in the United States and if such distilled spirits, wines, or beer were held and intended for sale at the

time of such disaster or other damage. The payments provided for in this section shall be made to the person holding such distilled spirits, wines, or beer for sale at the time of such disaster or other damage.

(b) Claims

(1) Period for making claim; proof

No claim shall be allowed under this section unless—

(A) filed within 6 months after the date on which such distilled spirits, wines, or beer were lost, rendered unmarketable, or condemned by a duly authorized official, and

(B) the claimant furnishes proof satisfactory to the Secretary that the claimant—

(i) was not indemnified by any valid claim of insurance or otherwise in respect of the tax, or tax and duty, on the distilled spirits, wines, or beer covered by the claim; and

(ii) is entitled to payment under this section.

(2) Minimum claim

Except as provided in paragraph (3)(A), no claim of less than \$250 shall be allowed under this section with respect to any disaster or other damage (as the case may be).

(3) Special rules for major disasters

If the President has determined under the Robert T. Stafford Disaster Relief and Emergency Assistance Act that a “major disaster” (as defined in such Act) has occurred in any part of the United States, and if the disaster referred to in subsection (a)(1) occurs in such part of the United States by reason of such major disaster, then—

(A) paragraph (2) shall not apply, and

(B) the filing period set forth in paragraph (1)(A) shall not expire before the day which is 6 months after the date on which the President makes the determination that such major disaster has occurred.

(4) Regulations

Claims under this section shall be filed under such regulations as the Secretary shall prescribe.

(c) Destruction of distilled spirits, wines, or beer

When the Secretary has made payment under this section in respect of the tax, or tax and duty, on the distilled spirits, wines, or beer condemned by a duly authorized official or rendered unmarketable, such distilled spirits, wines, or beer shall be destroyed under such supervision as the Secretary may prescribe, unless such distilled spirits, wines, or beer were previously destroyed under supervision satisfactory to the Secretary.

(d) Products of Puerto Rico

The provisions of this section shall not be applicable in respect of distilled spirits, wines, and beer of Puerto Rican manufacture brought into the United States and so lost or rendered unmarketable or condemned.

(e) Other laws applicable

All provisions of law, including penalties, applicable in respect of internal revenue taxes on

distilled spirits, wines, and beer shall, insofar as applicable and not inconsistent with this section, be applied in respect of the payments provided for in this section to the same extent as if such payments constituted refunds of such taxes.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1337; amended Pub. L. 91-606, title III, §301(i), Dec. 31, 1970, 84 Stat. 1759; Pub. L. 93-288, title VII, §702(i), formerly title VI, §602(i), May 22, 1974, 88 Stat. 164, renumbered title VII, §702(i), Pub. L. 103-337, div. C, title XXXIV, §3411(a)(1), (2), Oct. 5, 1994, 108 Stat. 3100; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 95-423, §1(a), Oct. 6, 1978, 92 Stat. 935; Pub. L. 96-39, title VIII, §807(a)(10), July 26, 1979, 93 Stat. 282; Pub. L. 100-707, title I, §109(l), Nov. 23, 1988, 102 Stat. 4709; Pub. L. 108-311, title IV, §408(a)(7)(D), Oct. 4, 2004, 118 Stat. 1191.)

Editorial Notes

REFERENCES IN TEXT

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (b)(3), is Pub. L. 93-288, May 22, 1974, 88 Stat. 143, which is classified principally to chapter 68 (§5121 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of Title 42 and Tables.

PRIOR PROVISIONS

A prior section 5064, act Aug. 16, 1954, ch. 736, 68A Stat. 615, related to “territorial extent of law”, prior to the general revision of this chapter by Pub. L. 85-859. See section 5065 of this title.

AMENDMENTS

2004—Subsec. (b)(3). Pub. L. 108-311 inserted “Robert T. Stafford” before “Disaster Relief and Emergency Assistance Act” in introductory provisions.

1988—Subsec. (b)(3). Pub. L. 100-707 substituted “and Emergency Assistance Act” for “Act of 1974”.

1979—Pub. L. 96-39 struck out “rectified products,” after “distilled spirits, wines,” wherever appearing.

1978—Pub. L. 95-423 substituted “Losses resulting from disaster, vandalism, or malicious mischief” for “Losses caused by disaster” in section catchline.

Subsec. (a). Pub. L. 95-423 substituted provisions authorizing the Secretary, under such regulations as he may prescribe, to pay the prescribed amount on distilled spirits, etc., lost, rendered unmarketable, or condemned by a duly authorized official by reason of fire, flood, casualty or other disaster, breakage, destruction, or other damage (but not including theft) resulting from vandalism or malicious mischief, for provisions authorizing such payment where the President has determined under the Disaster Relief Act of 1974 that a “major disaster” has occurred, and that distilled spirits, etc., were lost, rendered unmarketable, or condemned by a duly authorized official by reason of such disaster occurring after June 30, 1959.

Subsec. (b). Pub. L. 95-423 redesignated par. (1) as (1)(A), substituted provisions disallowing a claim unless filed within 6 months after such distilled spirits, etc., were lost, rendered unmarketable or condemned, for provisions disallowing a claim unless filed within 6 months after the President determined that such disaster occurred, and added par. (1)(B); in par. (2) substituted provisions limiting claims to no less than \$250, except as provided in par. (3)(A), for provisions demanding proof that claimant was not indemnified by any valid claim of insurance and that he is entitled to payment under this section; and added pars. (3) and (4).

1976—Subsecs. (a) to (c). Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

1974—Subsec. (a). Pub. L. 93-288 substituted “Disaster Relief Act of 1974” for “Disaster Relief Act of 1970”.

1970—Subsec. (a). Pub. L. 91-606 substituted “Disaster Relief Act of 1970” for “Act of September 30, 1950 (42 U.S.C. 1855)”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-39 effective Jan. 1, 1980, see section 810 of Pub. L. 96-39, set out as a note under section 5001 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Pub. L. 95-423, §1(c), Oct. 6, 1978, 92 Stat. 936, provided that: “The amendments made by this section [amending this section] shall apply to disasters (or other damage) occurring on or after the first day of the first calendar month which begins more than 90 days after the date of the enactment of this Act [Oct. 6, 1978].”

EFFECTIVE DATE OF 1974 AMENDMENT

Amendment by Pub. L. 93-288 effective Apr. 1, 1974, see section 605 of Pub. L. 93-288, formerly set out as an Effective Date note under section 5121 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91-606 effective Dec. 31, 1970, see section 304 of Pub. L. 91-606, set out as a note under section 165 of this title.

EFFECTIVE DATE

Section effective July 1, 1959, see section 210(a)(1) of Pub. L. 85-859, set out as a note under section 5001 of this title.

EXCEPTION TO EFFECTIVE DATE

Pub. L. 85-859, title II, §210(a)(3), Sept. 2, 1958, 72 Stat. 1435, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “Provisions having the effect of section 5064 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (as such section is included in chapter 51 of such Code as amended by section 201 of this Act) shall be deemed to be included in the Internal Revenue Code of 1986, effective on the day following the date of the enactment of this Act [Sept. 2, 1958], and shall apply with respect to disasters occurring after such date of enactment, and not later than June 30, 1959.”

BEER LOST BY REASON OF FLOODS OF 1951 OR HURRICANES OF 1954

Pub. L. 85-859, title II, §207, Sept. 2, 1958, 72 Stat. 1432, provided for payment of an amount equal to the amount of taxes paid under section 3150(a) of the Internal Revenue Code of 1939 on fermented malt liquor which was lost, rendered unmarketable, or condemned by reason of the floods of 1951 or the hurricanes of 1954, under certain conditions and under regulations to be prescribed.

LOSSES OF ALCOHOLIC LIQUORS CAUSED BY DISASTER

Pub. L. 85-859, title II, §208, Sept. 2, 1958, 72 Stat. 1432, provided for payment of an amount equal to the amount of taxes and customs duties paid on distilled spirits, wines, rectified products, and beer previously withdrawn, which were lost, rendered unmarketable, or condemned by reason of a major disaster occurring after Dec. 31, 1954, and not later than Sept. 2, 1958, under certain conditions and under regulations to be prescribed.

§ 5065. Territorial extent of law

The provisions of this part imposing taxes on distilled spirits, wines, and beer shall be held to extend to such articles produced anywhere with-

in the exterior boundaries of the United States, whether the same be within an internal revenue district or not.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1337.)

Editorial Notes

PRIOR PROVISIONS

A prior section 5065, act Aug. 16, 1954, ch. 736, 68A Stat. 615, made a cross reference to general administrative provisions applicable to assessment, collection, refund, etc., of taxes, prior to the general revision of this chapter by Pub. L. 85-859.

Provisions similar to those comprising this section were contained in former section 5064, act Aug. 16, 1954, ch. 736, 68A Stat. 615, prior to the general revision of this chapter by Pub. L. 85-859.

§ 5066. Distilled spirits for use of foreign embassies, legations, etc.

(a) Entry into customs bonded warehouses

(1) Bottled distilled spirits withdrawn from bonded premises

Under such regulations as the Secretary may prescribe, bottled distilled spirits may be withdrawn from bonded premises as provided in section 5214(a)(4) for transfer to customs bonded warehouses in which imported distilled spirits are permitted to be stored in bond for entry therein pending withdrawal therefrom as provided in subsection (b). For the purposes of this chapter, the withdrawal of distilled spirits from bonded premises under the provisions of this paragraph shall be treated as a withdrawal for exportation and all provisions of law applicable to distilled spirits withdrawn for exportation under the provisions of section 5214(a)(4) shall apply with respect to spirits withdrawn under this paragraph.

(2) Bottled distilled spirits eligible for export with benefit of drawback

Under such regulations as the Secretary may prescribe, distilled spirits marked especially for export under the provisions of section 5062(b) may be shipped to a customs bonded warehouse in which imported distilled spirits are permitted to be stored, and entered in such warehouses pending withdrawal therefrom as provided in subsection (b), and the provisions of this chapter shall apply in respect of such distilled spirits as if such spirits were for exportation.

(3) Time deemed exported

For the purposes of this chapter, distilled spirits entered into a customs bonded warehouse as provided in this subsection shall be deemed exported at the time so entered.

(b) Withdrawal from customs bonded warehouses

Notwithstanding any other provisions of law, distilled spirits entered into customs bonded warehouses under the provisions of subsection (a) may, under such regulations as the Secretary may prescribe, be withdrawn from such warehouses for consumption in the United States by and for the official or family use of such foreign governments, organizations, and individuals who are entitled to withdraw imported distilled