

(C) denatured distilled spirits for shipment to the United States;

(D) denatured distilled spirits for use in the manufacture of articles for shipment to the United States; and

(E) articles, manufactured from denatured distilled spirits, for shipment to the United States.

(3) Withdrawals authorized by Puerto Rico

Distilled spirits (including denatured distilled spirits) may be withdrawn from the bonded premises of a distilled spirits plant in Puerto Rico pursuant to authorization issued under the laws of the Commonwealth of Puerto Rico; such spirits so withdrawn, and products containing such spirits so withdrawn, may not be brought into the United States free of tax.

(4) Costs of administration

Any expenses incurred by the Treasury Department in connection with the enforcement in Puerto Rico of the provisions of this subtitle and section 7652(a), and regulations promulgated thereunder, shall be charged against and retained out of taxes collected under this title in respect of commodities of Puerto Rican manufacture brought into the United States. The funds so retained shall be deposited as a reimbursement to the appropriation to which such expenses were originally charged.

(b) Virgin Islands

(1) In general

Distilled spirits for the purposes authorized in section 5214(a)(2) and (3), denatured distilled spirits, and articles, as described in this paragraph, produced or manufactured in the Virgin Islands, may be brought into the United States free of any tax imposed by section 7652(b)(1) for disposal under the same conditions as like spirits, denatured spirits, and articles, produced or manufactured in the United States; and the provisions of this chapter and regulations promulgated thereunder (and all other provisions of the internal revenue laws applicable to the enforcement thereof, including the penalties of special application thereto) relating to the production, bonded warehousing, and denaturation of distilled spirits, to the withdrawal of distilled spirits or denatured distilled spirits, and to the manufacture of articles from denatured distilled spirits, shall, insofar as applicable, extend to and apply in the Virgin Islands in respect of—

(A) distilled spirits for shipment to the United States for the purposes authorized in section 5214(a)(2) and (3);

(B) distilled spirits for denaturation;

(C) denatured distilled spirits for shipment to the United States;

(D) denatured distilled spirits for use in the manufacture of articles for shipment to the United States; and

(E) articles, manufactured from denatured distilled spirits, for shipment to the United States.

(2) Advance of funds

The insular government of the Virgin Islands shall advance to the Treasury of the

United States such funds as may be required from time to time by the Secretary for the purpose of defraying all expenses incurred by the Treasury Department in connection with the enforcement in the Virgin Islands of paragraph (1) and regulations promulgated thereunder. The funds so advanced shall be deposited in a separate trust fund in the Treasury of the United States and shall be available to the Treasury Department for the purposes of this subsection.

(3) Regulations issued by Virgin Islands

The Secretary may authorize the Governor of the Virgin Islands, or his duly authorized agents, to issue or adopt such regulations, to approve such bonds, and to issue, suspend, or revoke such permits, as are necessary to carry out the provisions of this subsection. When regulations have been issued or adopted under this paragraph with concurrence of the Secretary he may exempt the Virgin Islands from any provisions of law and regulations otherwise made applicable by the provisions of paragraph (1), except that denatured distilled spirits, articles and distilled spirits for tax-free purposes which are brought into the United States from the Virgin Islands under the provisions of this subsection shall in all respects conform to the requirements of law and regulations imposed on like products of domestic manufacture.

(Added Pub. L. 85-859, title II, § 201, Sept. 2, 1958, 72 Stat. 1375; amended Pub. L. 94-455, title XIX, §§ 1905(a)(18), 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1820, 1834; Pub. L. 115-141, div. U, title IV, § 401(a)(245), Mar. 23, 2018, 132 Stat. 1195.)

Editorial Notes

PRIOR PROVISIONS

A prior section 5314, act Aug. 16, 1954, ch. 736, 68A Stat. 659, related to officers and agents authorized to investigate, issue search warrants, and prosecute for violations, prior to the general revision of this chapter by Pub. L. 85-859. See sections 5557 of this title.

Provisions similar to those comprising subsec. (a)(2) of this section were contained in prior section 5318, act Aug. 16, 1954, ch. 736, 68A Stat. 660, prior to the general revisions of this chapter by Pub. L. 85-859.

AMENDMENTS

2018—Subsec. (a)(2). Pub. L. 115-141 substituted “section 5001(a)(9)” for “section 5001(a)(10)” in introductory provisions.

1976—Subsec. (a)(2). Pub. L. 94-455, § 1905(a)(18), substituted “section 5001(a)(10)” for “section 5001(a)(4)”.

Subsec. (b)(2), (3). Pub. L. 94-455, § 1906(b)(13)(A), struck out “or his delegate” after “Secretary” wherever appearing.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1905(a)(18) of Pub. L. 94-455 effective on first day of first month which begins more than 90 days after Oct. 4, 1976, see section 1905(d) of Pub. L. 94-455, set out as a note under section 5005 of this title.

[§ 5315. Repealed. Pub. L. 94-455, title XIX, § 1905(a)(19), Oct. 4, 1976, 90 Stat. 1820]

Section 5315, added Pub. L. 85-859, title II, § 201, Sept. 2, 1958, 72 Stat. 1377, related to status of certain distilled spirits on July 1, 1959.

A prior section 5316, act Aug. 16, 1954, ch. 736, 68A Stat. 660, related to form of affidavit, information or indictment, prior to the general revision of this chapter by Pub. L. 85-859. See Fed. Rules Cr. Proc., rules 7(c), (f), and 8(a), Title 18, Appendix, Crimes and Criminal Procedure.

A prior section 5317, act Aug. 16, 1954, ch. 736, 68A Stat. 660, related to applicability of other laws, prior to the general revision of this chapter by Pub. L. 85-859. See section 5274 of this title.

A prior section 5318, act Aug. 16, 1954, ch. 736, 68A Stat. 660, related to application of this part to Puerto Rico and the Virgin Islands, prior to the general revision of this chapter by Pub. L. 85-859. See section 5314(a)(2) of this title.

A prior section 5319, act Aug. 16, 1954, ch. 736, 68A Stat. 661, related to definitions, etc., prior to the general revision of this chapter by Pub. L. 85-859. See sections 5002(a)(6)(A), (9), (11) and 5201(a) of this title.

A prior section 5320, act Aug. 16, 1954, ch. 736, 68A Stat. 661, related to cross references, prior to the general revision of this chapter by Pub. L. 85-859.

A prior section 5331, act Aug. 16, 1954, ch. 736, 68A Stat. 661, related to withdrawal from bond free of tax, prior to the general revision of this chapter by Pub. L. 85-859. See sections 5171(a), 5172, 5173(a), (c), 5178(a)(5), 5202(e), 5207(a), (c), (d), 5214(a), (a)(1), 5241, 5242, 5273(a), (b)(1), (2), (d), and 5275 of this title.

A prior section 5332, act Aug. 16, 1954, ch. 736, 68A Stat. 662, related to recovery of spirits for reuse in manufacturing, prior to the general revision of this chapter by Pub. L. 85-859. See section 5273(c) of this title.

A prior section 5333, act Aug. 16, 1954, ch. 736, 68A Stat. 662, related to sale of abandoned spirits for denaturation without collection of tax, prior to the general revision of this chapter by Pub. L. 85-859. See section 5243 of this title.

A prior section 5334, act Aug. 16, 1954, ch. 736, 68A Stat. 662, related to cross references, prior to the general revision of this chapter by Pub. L. 85-859. See section 5273(e)(1), (2) of this title.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal effective on first day of first month which begins more than 90 days after Oct. 4, 1976, see section 1905(d) of Pub. L. 94-455, set out as an Effective Date of 1976 Amendment note under section 5005 of this title.

Subchapter F—Bonded and Taxpaid Wine Premises

| | |
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| Part | |
| I. | Establishment. |
| II. | Operations. |
| III. | Cellar treatment and classification of wine. |
| IV. | General. |

Editorial Notes

PRIOR PROVISIONS

A prior subchapter F, Bonded and Taxpaid Wine Premises, consisted of part I, Establishment, part II, Operations, part III, Cellar Treatment and Classification of Wine, and part IV, General, and comprised sections 5351 to 5357, 5361 to 5373, 5381 to 5388, and 5391 to 5392, respectively, prior to the general revision of this chapter by Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1313.

PART I—ESTABLISHMENT

| | |
|-------|------------------------------|
| Sec. | |
| 5351. | Bonded wine cellar. |
| 5352. | Taxpaid wine bottling house. |
| 5353. | Bonded wine warehouse. |
| 5354. | Bond. |

| | |
|-------|---------------------------------------|
| Sec. | |
| 5355. | General provisions relating to bonds. |
| 5356. | Application. |
| 5357. | Premises. |

Editorial Notes

PRIOR PROVISIONS

A prior part I consisted of sections 5351 to 5357 of this title, prior to the general revision of this chapter by Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1313.

§ 5351. Bonded wine cellar

(a) In general

Any person establishing premises for the production, blending, cellar treatment, storage, bottling, packaging, or repackaging of untaxpaid wine (other than wine produced exempt from tax under section 5042), including the use of wine spirits in wine production, shall, before commencing operations, make application to the Secretary and, except as provided under section 5551(d), file bond and receive permission to operate.

(b) Definitions

For purposes of this chapter—

(1) Bonded wine cellar

The term “bonded wine cellar” means any premises described in subsection (a), including any such premises established by a taxpayer described in section 5551(d).

(2) Bonded winery

At the discretion of the Secretary, any bonded wine cellar that engages in production operations may be designated as a “bonded winery”.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1378; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 114-113, div. Q, title III, §332(b)(2)(B), Dec. 18, 2015, 129 Stat. 3106.)

Editorial Notes

PRIOR PROVISIONS

A prior section 5351, act Aug. 16, 1954, ch. 736, 68A Stat. 663, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

2015—Pub. L. 114-113 designated existing provisions as subsec. (a), inserted heading, inserted “, except as provided under section 5551(d),” before “file bond”, struck out “Such premises shall be known as ‘bonded wine cellars’; except that any such premises engaging in production operations may, in the discretion of the Secretary, be designated as a ‘bonded winery’.” at end, and added subsec. (b).

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114-113 applicable to any calendar quarters beginning more than 1 year after Dec. 18, 2015, see section 332(c) of Pub. L. 114-113, set out as a note under section 5061 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.