

§ 5414. Transfer of beer between bonded facilities**(a) In general**

Beer may be removed from one brewery to another brewery, without payment of tax, and may be mingled with beer at the receiving brewery, subject to such conditions, including payment of the tax, and in such containers, as the Secretary by regulations shall prescribe, which shall include—

(1) any removal from one brewery to another brewery belonging to the same brewer,

(2) any removal from a brewery owned by one corporation to a brewery owned by another corporation when—

(A) one such corporation owns the controlling interest in the other such corporation, or

(B) the controlling interest in each such corporation is owned by the same person or persons, and

(3) any removal from one brewery to another brewery when—

(A) the proprietors of transferring and receiving premises are independent of each other and neither has a proprietary interest, directly or indirectly, in the business of the other, and

(B) the transferor has divested itself of all interest in the beer so transferred and the transferee has accepted responsibility for payment of the tax.

(b) Transfer of liability for tax

For purposes of subsection (a)(3), such relief from liability shall be effective from the time of removal from the transferor's premises, or from the time of divestment of interest, whichever is later.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1389; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 115-97, title I, §13803(a), Dec. 22, 2017, 131 Stat. 2172; Pub. L. 116-94, div. Q, title I, §144(c)(1), Dec. 20, 2019, 133 Stat. 3235; Pub. L. 116-260, div. EE, title I, §106(c)(1), Dec. 27, 2020, 134 Stat. 3042.)

Editorial Notes**PRIOR PROVISIONS**

A prior section 5414, act Aug. 16, 1954, ch. 736, 68A Stat. 675, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

2020—Pub. L. 116-260 amended section generally. Prior to amendment, section related to removals of beer from one brewery to another belonging to the same brewer.

2019—Subsec. (b)(3). Pub. L. 116-94 substituted “December 31, 2020” for “December 31, 2019”.

2017—Pub. L. 115-97 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

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

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2020 AMENDMENT**

Pub. L. 116-260, div. EE, title I, §106(c)(2), Dec. 27, 2020, 134 Stat. 3043, provided that: “The amendment made by this subsection [amending this section] shall

apply to any calendar quarters beginning after December 31, 2020.”

EFFECTIVE DATE OF 2019 AMENDMENT

Pub. L. 116-94, div. Q, title I, §144(c)(2), Dec. 20, 2019, 133 Stat. 3235, provided that: “The amendment made by this subsection [amending this section] shall apply to calendar quarters beginning after December 31, 2019.”

EFFECTIVE DATE OF 2017 AMENDMENT

Amendment by Pub. L. 115-97 applicable to any calendar quarters beginning after Dec. 31, 2017, see section 13803(c) of Pub. L. 115-97, set out as a note under section 5412 of this title.

§ 5415. Records and returns**(a) Records**

Every brewer shall keep records, in such form and containing such information as the Secretary shall prescribe by regulations as necessary for protection of the revenue. These records shall be preserved by the person required to keep such records for such period as the Secretary shall by regulations prescribe, and shall be available during business hours for examination and taking of abstracts therefrom by any internal revenue officer.

(b) Returns

Every brewer shall make true and accurate returns of his operations and transactions in the form, at the times, and for such periods as the Secretary shall by regulation prescribe.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1390; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

Editorial Notes**PRIOR PROVISIONS**

A prior section 5415, act Aug. 16, 1954, ch. 736, 68A Stat. 675, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

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

§ 5416. Definitions of package and packaging

For purposes of this subchapter, the term “package” means a bottle, can, keg, barrel, or other original consumer container, and the term “packaging” means the filling of any package.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1390; amended Pub. L. 91-673, §3(e), Jan. 12, 1971, 84 Stat. 2057.)

Editorial Notes**PRIOR PROVISIONS**

A prior section 5416, act Aug. 16, 1954, ch. 736, 68A Stat. 676, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

1971—Pub. L. 91-673 substituted definitions of package and packaging for definitions of bottle and bottling.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 1971 AMENDMENT**

Amendment by Pub. L. 91-673 effective on first day of first calendar month which begins more than 90 days

after Jan. 12, 1971, see section 5 of Pub. L. 91-673, set out as a note under section 5056 of this title.

§ 5417. Pilot brewing plants

Under such regulations as the Secretary may prescribe, and on the filing of such bonds and applications as he may require, pilot brewing plants may, at the discretion of the Secretary be established and operated off the brewery premises for research, analytical, experimental, or development purposes with regard to beer or brewery operations. Nothing in this section shall be construed as authority to waive the filing of any bond or the payment of any tax provided for in this chapter.

(Added Pub. L. 91-673, §4(a), Jan. 12, 1971, 84 Stat. 2057; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

Editorial Notes

AMENDMENTS

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

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section effective on first day of first calendar month which begins more than 90 days after Jan. 12, 1971, see section 5 of Pub. L. 91-673, set out as an Effective Date of 1971 Amendment note under section 5056 of this title.

§ 5418. Beer imported in bulk

Beer imported or brought into the United States in bulk containers may, under such regulations as the Secretary may prescribe, be withdrawn from customs custody and transferred in such bulk containers to the premises of a brewery without payment of the internal revenue tax imposed on such beer. The proprietor of a brewery to which such beer is transferred shall become liable for the tax on the beer withdrawn from customs custody under this section upon release of the beer from customs custody, and the importer, or the person bringing such beer into the United States, shall thereupon be relieved of the liability for such tax.

(Added Pub. L. 105-34, title XIV, §1421(a), Aug. 5, 1997, 111 Stat. 1049.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Pub. L. 105-34, title XIV, §1421(c), Aug. 5, 1997, 111 Stat. 1049, provided that: “The amendments made by this section [enacting this section] shall take effect on the 1st day of the 1st calendar quarter that begins at least 180 days after the date of the enactment of this Act [Aug. 5, 1997].”

Subchapter H—Miscellaneous Plants and Warehouses

Part I.	Vinegar plants.
II.	Volatile fruit-flavor concentrate plants.
[III.]	Repealed.]

Editorial Notes

PRIOR PROVISIONS

A prior subchapter H consisted of parts I to III, prior to the general revision of this chapter by Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1313.

AMENDMENTS

1979—Pub. L. 96-39, title VIII, §807(b)(9), July 26, 1979, 93 Stat. 291, struck out item relating to Part III “Manufacturing bonded warehouses” in table of Parts comprising Subchapter H.

PART I—VINEGAR PLANTS

Sec. 5501.	Establishment.
5502.	Qualification.
5503.	Construction and equipment.
5504.	Operation.
5505.	Applicability of provisions of this chapter.

Editorial Notes

PRIOR PROVISIONS

A prior part I consisted of sections 5501 and 5502, prior to the general revision of this chapter by Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1313.

§ 5501. Establishment

Plants for the production of vinegar by the vaporizing process, where distilled spirits of not more than 15 percent of alcohol by volume are to be produced exclusively for use in the manufacture of vinegar on the premises, may be established under this part.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1390.)

Editorial Notes

PRIOR PROVISIONS

A prior section 5501, act Aug. 16, 1954, ch. 736, 68A Stat. 677, made a cross reference to provisions pertaining to establishment and operation of vinegar factories, prior to the general revision of this chapter by Pub. L. 85-859.

Provisions similar to those comprising this section were contained in prior section 5216(a)(1), act Aug. 16, 1954, ch. 736, 68A Stat. 640, prior to the general revision of this chapter by Pub. L. 85-859.

Statutory Notes and Related Subsidiaries

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.

§ 5502. Qualification

(a) Requirements

Every person, before commencing the business of manufacturing vinegar by the vaporizing process, and at such other times as the Secretary may by regulations prescribe, shall make application to the Secretary for the registration of his plant and receive permission to operate. No application required under this section shall be approved until the applicant has complied with all requirements of law, and regulations prescribed by the Secretary, in relation to such business. With respect to any change in such business after approval of an application, the Secretary may by regulations authorize the filing of written notice of such change or require the filing of an application to make such change.

(b) Form of application

The application required by subsection (a) shall be in such form and contain such informa-