§ 30.67. Losses after receipt due to leakage, spillage, evaporation, or other causes not essential to the manufacturing process shall be accurately recorded in the manufacturer's permanent records at the time such losses are determined.

(e) Tests of alcohol content. At representative intervals, the manufacturer shall verify the alcohol content of nonbeverage products. The results of such tests shall be recorded.

§ 17.165 Receipt of raw ingredients.

For raw ingredients destined to be used in nonbeverage or intermediate products, the manufacturer shall record, for each shipment received—

(a) The date of receipt;
(b) The quantity received; and
(c) The identity of the supplier.

§ 17.166 Disposition of nonbeverage products.

(a) Shipments. For each shipment of nonbeverage products, the manufacturer shall record—

(1) The formula number of the product;
(2) The date of shipment;
(3) The quantity shipped; and
(4) The identity of the consignee.

(b) Other disposition. For other dispositions of nonbeverage products, the manufacturer shall record—

(1) The type of disposition;
(2) The date of disposition; and
(3) The quantity of each product so disposed of.

(c) Exception. The manufacturer need not keep the records required by paragraphs (a) and (b) of this section for any nonbeverage product which either contains less than 3 percent of distilled spirits by volume, or is sold by the producer directly to the consumer in retail quantities. However, when needed for protection of the revenue, the appropriate TTB officer may require a manufacturer to take physical inventories of finished nonbeverage products, and/or raw ingredients intended for use in the manufacture of nonbeverage or intermediate products. The results of such inventories shall be recorded in the manufacturer’s records. Any discrepancy between the amounts on hand as disclosed by physical inventory and such amounts as indicated by the manufacturer’s records shall also be recorded with an explanation of its cause.

§ 17.168 Recovered spirits.

(a) Each manufacturer intending to recover distilled spirits under the provisions of this part shall first notify the appropriate TTB officer. Any apparatus used to separate alcohol is subject to the registration requirements of 26 U.S.C. 5179 and subpart C of part 29 of this chapter. Recovery operations may only be conducted on the premises where the recovered spirits were used in the manufacture or production of nonbeverage or intermediate products.

(b) The manufacturer shall keep a record of the distilled spirits recovered