plant size and bond amounts. The provisions of §19.921 regarding change in
type of plant are applicable to each proprietor. Entries into these records
will be in the manner prescribed in §§19.982, 19.984, and 19.986.

(Sec. 201, Pub. L. 85–859, 72 Stat. 1349, as
amended, 1370, as amended (26 U.S.C. 5172,
5271; sec. 805(a), Pub. 96–39, 93 Stat. 275 (26
278 (26 U.S.C. 5181))

PERMANENT DISCONTINUANCE OF
BUSINESS

§ 19.945 Notice of permanent dis-
continuance.

A proprietor who permanently dis-
continues operations as an alcohol fuel
plant shall, after completion of the op-
erations, file a letterhead notice with
the appropriate TTB officer. The notice
shall be accompanied—
(a) By the alcohol fuel producer’s per-
mit, and by the proprietor’s request
that such permit be canceled;
(b) By a written statement dis-
closing, as applicable, whether (1) all
spirits (including fuel alcohol) have
been lawfully disposed of, and (2) any
spirits are in transit to the premises;
and
(c) By a report covering the discon-
tinued operations (the report shall be
marked “Final Report”).

(Sec. 201, Pub. L. 85–859, 72 Stat. 1349, as
amended, 1370, as amended (26 U.S.C. 5172,
5271); sec. 232 Pub. L. 96–223, 94 Stat. 278 (26
U.S.C. 5181))

BONDS

§ 19.955 Bonds.

An operations bond is required for
medium and large plants. The bond will
be executed, in duplicate, on Form
5110.56. Surety bonds may be given only
with corporate sureties holding certifi-
cates of authority from, and subject to
the limitations prescribed by, the Sec-
retary as set forth in the current revi-
sion of Treasury Department Circular
570. However, in lieu of corporate sur-
ety the proprietor may pledge and de-
posit as surety for his bond, securities
which are transferable and are guaran-
teed as to both interest and principal
by the United States, in accordance
with the provisions of 31 CFR part 225.
The appropriate TTB officer will not
release such securities until liability
under the bond for which they were
pledged has been terminated.

(Sec. 805(c), Pub. L. 96–39, 93 Stat. 276 (26
648, 650 (31 U.S.C. 9301, 9303, 9304, 9306); sec.
5181))

§ 19.956 Amount of bond.

The penal sum of the bond is based
on the total quantity of distilled spir-
its to be produced (including receipts)
during a calendar year. If the level of
production and/or receipts at the plant
is to be increased, and the bond is not
in the maximum penal sum, a new or
strengthening bond shall be obtained.
(a) Medium plants. A medium plant
which will produce (including receipts)
between 10,000 and 20,000 proof gallons
of spirits per year requires a bond in