

## RULES FOR LOCATION AND USE OF A DSP

**§ 19.52 Restrictions on location of plants.**

A person who intends to establish a distilled spirits plant may not locate it in any of the following places:

- (a) In any residence, shed, yard, or enclosure connected to a residence;
- (b) On any vessel or boat;
- (c) Where beer or wine is produced;
- (d) Where liquors are sold at retail; or

(e) Where any other business is conducted except as provided in § 19.54.

(26 U.S.C. 5178)

**§ 19.53 Continuity of plant premises.**

As a general rule, the premises of a distilled spirits plant must be continuous except for separations by public waterways, roads, or carrier rights-of-way. However, the appropriate TTB officer may approve the registration of the plant where there are separations of the plant premises and all parts of the plant are in the same general location if:

(a) There is no jeopardy to revenue caused by the separation of premises; and

(b) The separation of premises does not create administrative problems for TTB.

(26 U.S.C. 5178)

**§ 19.54 Use of distilled spirits plant premises.**

(a) *General.* A person may not conduct any business or operation on the premises of a distilled spirits plant unless the business or operation is authorized by the notice of registration on file with TTB or authorized under § 19.55.

(b) *Bonded premises.* The proprietor must use the bonded premises of a distilled spirits plant exclusively for distilled spirits operations. The proprietor must store packaged spirits, cases of spirits, or portable containers of spirits in a room or building on bonded premises. TTB may approve another method of storage as an alternate method or procedure. However, the proprietor must apply for, and receive approval for another method of storage from the

appropriate TTB officer in accordance with § 19.27 before using that method.

(c) *General premises.* General premises are any portion of the distilled spirits plant described in the notice of registration other than bonded premises. A person may not use the general premises of a distilled spirits plant for any operation required under the provisions of this part to be conducted on bonded premises.

(26 U.S.C. 5178)

**§ 19.55 Other businesses.**

(a) The appropriate TTB officer may authorize the conduct of a business other than that of a distiller, warehouseman, or processor on the premises of a distilled spirits plant if:

(1) The business is not prohibited by 26 U.S.C. 5601(a)(6);

(2) The business will not jeopardize the revenue;

(3) The business will not hinder TTB's effective administration of this part; and

(4) The business will not be contrary to law.

(b) A person who wishes to conduct another business at a distilled spirits plant must apply for such authorization in accordance with § 19.73(b) or § 19.120(b) and receive approval from the appropriate TTB officer before operating the other business. The approval will specify whether the other business may be conducted on the bonded premises or on the general premises.

(26 U.S.C. 5178)

**§ 19.56 Bonded warehouses not on premises qualified for production of spirits.**

(a) *Criteria for establishment.* As a general rule, if a person intends to establish a bonded warehouse, other than one established on the bonded premises of a distilled spirits plant qualified for the production of spirits or contiguous to such premises, the proposed warehouse must have a minimum capacity of 250,000 wine gallons of bulk spirits and the need for such a warehouse must be clearly shown. TTB may consider an application to establish a bonded warehouse with less capacity provided a need is clearly shown.