

§ 19.312

tank or a distilling material tank, or may be destroyed or disposed of on the premises.

(26 U.S.C. 5008, 5201)

PRODUCTION INVENTORIES

§ 19.312 Physical inventories.

A proprietor must take a physical inventory of the spirits and denatured spirits in tanks and other containers in the production account at the close of each calendar quarter. A proprietor must record the results of the inventory as provided in subpart V of this part and must show separately spirits and denatured spirits received for redistillation. TTB may require additional inventories be taken at any time.

(26 U.S.C. 5201)

RULES FOR REDISTILLATION

§ 19.314 General.

Distillers or processors may redistill spirits, denatured spirits, articles, and spirits residues. Some redistillation requires an approved formula on form TTB F 5100.51, Formula and Process for Domestic and Imported Alcohol Beverages, as specified in §§ 5.26 and 5.27 of this chapter.

(26 U.S.C. 5223)

§ 19.315 Receipts for redistillation.

(a) A proprietor may receive and redistill spirits or denatured spirits that:

- (1) Have not been removed from bond;
- (2) Have been withdrawn from bond on payment or determination of tax and returned to bond under subpart Q of this part;
- (3) Have been withdrawn from bond free of tax or without payment of tax and returned to bond under subpart T of this part; or
- (4) Have been abandoned to the United States and sold to the proprietor without the payment of tax.

(b) A proprietor may also receive and redistill:

- (1) Recovered denatured spirits and recovered articles returned under § 19.454, and
- (2) Articles and spirits residues received under § 19.454.

(26 U.S.C. 5201, 5215, 5223, 5243)

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§ 19.316 Redistillation.

(a) TTB has established standards of identity for the various classes and types of distilled spirits. Those standards are found in part 5 of this chapter. If a proprietor intends to redistill spirits, the proprietor must ensure that the redistillation process does not cause the distillate to become ineligible for designation in the class or type of spirits that the proprietor intends to produce. Therefore, spirits must not be redistilled at a proof lower than that allowed for the class and type at which the spirits were originally produced, unless the redistilled spirits are to be:

- (1) Used in wine production;
- (2) Used in the manufacture of gin or vodka; or
- (3) Designated as alcohol.

(b) In order to preserve the class and type of spirits during the redistillation process, different kinds of spirits must be redistilled separately, or with distilling material of the same kind or type as that from which the spirits were originally produced. However, this restriction does not apply when:

- (1) Brandy is redistilled into “spirits-fruit” or “neutral spirits-fruit”. In this case the resulting distillate must not be used for producing wine;
- (2) Whiskey is redistilled into “spirits-grain” or “neutral spirits-grain”;
- (3) Spirits originally distilled from different kinds of material are redistilled into “spirits-mixed” or “neutral spirits-mixed”; or
- (4) The spirits are redistilled into alcohol.

(c) All spirits redistilled after the production gauge will be treated the same as if the spirits had been originally produced by the redistiller. Spirits recovered by redistillation of denatured spirits, articles, or spirits residues may not be withdrawn from bonded premises except for industrial use or after denaturation. Otherwise, all provisions of this part and 26 U.S.C. chapter 51 applicable to the original production of spirits will be applicable to the redistillation of spirits. Nothing in this section affects any provision of this chapter relating to the labeling of distilled spirits.

(26 U.S.C. 5215, 5223)