

## § 25.15

through a correspondent banking relationship, via the Federal Reserve Communications System (FRCS) or Fedwire to the Treasury Account at the Federal Reserve Bank of New York.

*Executed under penalties of perjury.* Signed with the prescribed declaration under the penalties of perjury as provided on or with respect to the return, claim, form, or other document or, when no form of declaration is prescribed, with the declaration: "I declare under the penalties of perjury that this \_\_\_\_\_ (insert type of document such as statement, report, certificate, application, claim, or other document), including the documents submitted in support thereof, has been examined by me and, to the best of my knowledge and belief, is true, correct and complete."

*Fiscal year.* The period which begins October 1 and ends on the following September 30.

*Gallon.* The liquid measure containing 231 cubic inches.

*Losses.* Known quantities of beer lost due to breakage, casualty, or other unusual cause.

*Package.* A bottle, can, keg, barrel, or other original consumer container.

*Packaging.* The filling of any package.

*Person.* An individual, trust, estate, partnership, association, company, or corporation.

*Racking.* The filling of kegs or barrels.

*Removed for consumption or sale.* Except when used with respect to beer removed without payment of tax as authorized by law, (a) the sale and transfer of possession of beer for consumption at the brewery, or (b) any removal of beer from the brewery.

*Secretary.* The Secretary of the Treasury or his or her delegate.

*Service center.* An Internal Revenue Service Center in any of the Internal Revenue regions.

*Shortage.* An unaccounted for discrepancy (missing quantity) of beer disclosed by physical inventory.

*This chapter.* Title 27, Code of Federal Regulations, Chapter I (27 CFR Chapter I).

*Treasury account.* The Department of the Treasury's General Account at the Federal Reserve Bank of New York.

## 27 CFR Ch. I (4–1–12 Edition)

*U.S.C.* The United States Code.

*Wort.* The product of brewing before fermentation which results in beer.

[T.D. ATF-224, 51 FR 7673, Mar. 5, 1986, as amended by T.D. ATF-345, 58 FR 40357, July 28, 1993; T.D. ATF-437, 66 FR 5478, Jan. 19, 2001; TTB T.D.-21, 70 FR 235, Jan. 3, 2005; T.D. TTB-44, 71 FR 16941, Apr. 4, 2006; T.D. TTB-91, 76 FR 5478, Feb. 1, 2011]

### STANDARDS FOR BEER

#### § 25.15 Materials for the production of beer.

(a) Beer must be brewed from malt or from substitutes for malt. Only rice, grain of any kind, bran, glucose, sugar, and molasses are substitutes for malt. In addition, you may also use the following materials as adjuncts in fermenting beer: honey, fruit, fruit juice, fruit concentrate, herbs, spices, and other food materials.

(b) You may use flavors and other nonbeverage ingredients containing alcohol in producing beer. Flavors and other nonbeverage ingredients containing alcohol may contribute no more than 49% of the overall alcohol content of the finished beer. For example, a finished beer that contains 5.0% alcohol by volume must derive a minimum of 2.55% alcohol by volume from the fermentation of ingredients at the brewery and may derive not more than 2.45% alcohol by volume from the addition of flavors and other nonbeverage ingredients containing alcohol. In the case of beer with an alcohol content of more than 6% by volume, no more than 1.5% of the volume of the beer may consist of alcohol derived from added flavors and other nonbeverage ingredients containing alcohol.

[T.D. TTB-21, 70 FR 235, Jan. 3, 2005]

### Subpart C—Location and Use of Brewery

#### § 25.21 Restrictions on location.

A brewery may not be established or operated in any dwelling house or on board any vessel or boat, or in any building or on any premises where the

revenue will be jeopardized or the effective administration of this part will be hindered.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1389, as amended (26 U.S.C. 5402))

#### § 25.22 Continuity of brewery.

Brewery premises will be unbroken except that they may be separated by public passageways, streets, highways, waterways, carrier rights-of-way, or partitions. If the brewery premises are separated, the parts will abut on the dividing medium and be adjacent to each other. If the brewer has facilities for loading, or for case packing or storage which are located within reasonable proximity to the brewery, the appropriate TTB officer may approve these facilities as part of the brewery if the revenue will not be jeopardized.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1389, as amended (26 U.S.C. 5402))

#### § 25.23 Restrictions on use.

(a) *Use of brewery in production of beer or cereal beverage.* A brewery may be used only for the following purposes involving the production of beer or cereal beverages:

(1) For producing, packaging and storing beer, cereal beverages, vitamins, ice, malt, malt syrup, and other by-products of the brewing process, or soft drinks and other nonalcoholic beverages;

(2) For processing spent grain, carbon dioxide, and yeast; and

(3) For storing packages and supplies necessary or connected to brewery operations.

(b) *Other authorized uses.* A brewer may use a brewery for other purposes, not involving the production of beer or cereal beverage, upon approval from the appropriate TTB officer, if the purposes:

(1) Require the use of by-products or waste from the production of beer;

(2) Utilize buildings, rooms, areas, or equipment not fully employed in the production or packaging of beer;

(3) Are reasonably necessary to realize the maximum benefit from the premises and equipment and reduce the overhead of the brewery;

(4) Are in the public interest because of emergency conditions;

(5) Involve experiments or research projects related to equipment, materials, processes, products, by-products, or waste of the brewery; or

(6) Involve operation of a tavern on brewery premises in accordance with § 25.25.

(c) *Application.* Except as provided in § 25.25 for operation of a tavern on brewery premises, a brewer desiring to use a brewery for other purposes shall submit to the appropriate TTB officer, an application listing the purposes. The appropriate TTB officer will approve the application if the use for other purposes will not jeopardize the revenue or impede the effective administration of this part and is not contrary to specific provisions of law.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1389, as amended (26 U.S.C. 5411))

[T.D. ATF-224, 51 FR 7673, Mar. 5, 1986, as amended by T.D. ATF-268, 53 FR 8628, Mar 16, 1988]

#### § 25.24 Storage of beer.

(a) *Taxpaid beer.* Beer of a brewer's own production on which the tax has been paid or determined may not be stored in the brewery, except as provided in § 25.25 or § 25.213. Beer produced by other brewers may be stored at the brewery under the following conditions:

(1) Taxpaid beer will be segregated in such a manner as to preclude mixing with nontaxpaid beer;

(2) If required by Part 1 of this chapter, the brewer shall have a wholesaler or importers basic permit under the Federal Alcohol Administration Act, and keep records of the taxpaid beer as a wholesaler or importer under part 31 of this chapter.

(3) Taxpaid beer may be stored in packages;

(4) Taxpaid beer may not be re-labeled;

(5) Taxpaid beer may not be shown on required brewery records; and

(6) The appropriate TTB officer may require physical segregation of taxpaid beer, or marking to show the status of taxpaid beer, if necessary to protect the revenue.