

§ 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 98-369, div. A, title IV, § 455(c), July 18, 1984, 98 Stat. 823; Pub. L. 104-188, title I, § 1702(b)(7), Aug. 20, 1996, 110 Stat. 1869.)

PRIOR PROVISIONS

A prior section 5354, act Aug. 16, 1954, ch. 736, 68A Stat. 663, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

1996—Pub. L. 104-188 inserted “(taking into account the appropriate amount of credit with respect to such wine under section 5041(c))” after “any one time”.

1984—Pub. L. 98-369 substituted “distilled spirits” for “wine spirits” in two places.

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-188 effective, except as otherwise expressly provided, as if included in the provision of the Revenue Reconciliation Act of 1990, Pub. L. 101-508, title XI, to which such amendment relates, see section 1702(i) of Pub. L. 104-188, set out as a note under section 38 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective July 18, 1984, see section 456(c) of Pub. L. 98-369, set out as an Effective Date note under section 5101 of this title.

§ 5355. General provisions relating to bonds

The provisions of section 5551 (relating to bonds) shall be applicable to the bonds required under section 5354.

(Added Pub. L. 85-859, title II, § 201, Sept. 2, 1958, 72 Stat. 1379.)

PRIOR PROVISIONS

A prior section 5355, act Aug. 16, 1954, ch. 736, 68A Stat. 664, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

§ 5356. Application

The application required by this part shall disclose, as regulations issued by the Secretary shall provide, such information as may be necessary to enable the Secretary to determine the location and extent of the premises, the type of operations to be conducted on such premises, and whether the operations will be in conformity with law and regulations.

(Added Pub. L. 85-859, title II, § 201, Sept. 2, 1958, 72 Stat. 1379; amended Pub. L. 94-455, title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

PRIOR PROVISIONS

A prior section 5356, act Aug. 16, 1954, ch. 736, 68A Stat. 664, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

§ 5357. Premises

Bonded wine cellar premises, including non-contiguous portions thereof, shall be so located,

constructed, and equipped, as to afford adequate protection to the revenue, as regulations prescribed by the Secretary may provide.

(Added Pub. L. 85-859, title II, § 201, Sept. 2, 1958, 72 Stat. 1379; amended Pub. L. 94-455, title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

PRIOR PROVISIONS

A prior section 5357, act Aug. 16, 1954, ch. 736, 68A Stat. 664, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

PART II—OPERATIONS

Sec.

- 5361. Bonded wine cellar operations.
- 5362. Removals of wine from bonded wine cellars.
- 5363. Taxpaid wine bottling house operations.
- 5364. Wine imported in bulk.
- 5365. Segregation of operations.
- 5366. Supervision.
- 5367. Records.
- 5368. Gauging and marking.
- 5369. Inventories.
- 5370. Losses.
- 5371. Insurance coverage, etc.
- 5372. Sampling.
- 5373. Wine spirits.

PRIOR PROVISIONS

A prior part II consisted of sections 5361 to 5373 of this title, prior to the general revision of this chapter by Pub. L. 85-859, title II, § 201, Sept. 2, 1958, 72 Stat. 1313.

AMENDMENTS

1997—Pub. L. 105-34, title XIV, § 1422(b), Aug. 5, 1997, 111 Stat. 1050, added item 5364.

1979—Pub. L. 96-39, title VIII, § 807(b)(7), July 26, 1979, 93 Stat. 290, struck out item 5364 “Standard wine premises”.

1976—Pub. L. 94-455, title XIX, § 1905(b)(5), Oct. 4, 1976, 90 Stat. 1822, substituted “and marking” for “, marking, and stamping” in item 5368.

§ 5361. Bonded wine cellar operations

In addition to the operations described in section 5351, the proprietor of a bonded wine cellar may, subject to regulations prescribed by the Secretary, on such premises receive taxpaid wine for return to bond, reconditioning, or destruction; prepare for market and store commercial fruit products and by-products not taxable as wines; produce or receive distilling material or vinegar stock; produce (with or without added wine spirits, and without added sugar) or receive on wine premises, subject to tax as wine but not for sale or consumption as beverage wine, (1) heavy bodied blending wines and Spanish-type blending sherries, and (2) other wine products made from natural wine for nonbeverage purposes; and such other operations as may be conducted in a manner that will not jeopardize the revenue or conflict with wine operations.

(Added Pub. L. 85-859, title II, § 201, Sept. 2, 1958, 72 Stat. 1380; amended Pub. L. 94-455, title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 96-39, title VIII, § 807(a)(43), July 26, 1979, 93 Stat.

287; Pub. L. 105-34, title XIV, §1416(b)(1), Aug. 5, 1997, 111 Stat. 1048.)

PRIOR PROVISIONS

A prior section 5361, act Aug. 16, 1954, ch. 736, 68A Stat. 664, consisted of provisions similar to those comprising this section, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

1997—Pub. L. 105-34 struck out “unmerchantable” after “premises receive”.

1979—Pub. L. 96-39 substituted “or receive on wine premises” for “or receive on standard wine premises only”.

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-34 effective on the 1st day of the 1st calendar quarter that begins at least 180 days after Aug. 5, 1997, see section 1416(c) of Pub. L. 105-34, set out as a note under section 5044 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-39 effective Jan. 1, 1980, see section 810 of Pub. L. 96-39, set out as a note under section 5001 of this title.

EFFECTIVE DATE

Section effective July 1, 1959, see section 210(a)(1) of Pub. L. 85-859, set out as a note under section 5001 of this title.

§ 5362. Removals of wine from bonded wine cellars

(a) Withdrawals on determination of tax

Wine may be withdrawn from bonded wine cellars on payment or determination of the tax thereon, under such regulations as the Secretary shall prescribe.

(b) Transfers of wine between bonded premises

(1) In general

Wine on which the tax has not been paid or determined may, under such regulations as the Secretary shall prescribe, be transferred in bond between bonded premises.

(2) Wine transferred to a distilled spirits plant may not be removed for consumption or sale as wine

Any wine transferred to the bonded premises of a distilled spirits plant—

(A) may be used in the manufacture of a distilled spirits product, and

(B) may not be removed from such bonded premises for consumption or sale as wine.

(3) Continued liability for tax

The liability for tax on wine transferred to the bonded premises of a distilled spirits plant pursuant to paragraph (1) shall (except as otherwise provided by law) continue until the wine is used in a distilled spirits product.

(4) Transfer in bond not treated as removal for consumption or sale

For purposes of this chapter, the removal of wine for transfer in bond between bonded premises shall not be treated as a removal for consumption or sale.

(5) Bonded premises

For purposes of this subsection, the term “bonded premises” means a bonded wine cellar

or the bonded premises of a distilled spirits plant.

(c) Withdrawals of wine free of tax or without payment of tax

Wine on which the tax has not been paid or determined may, under such regulations and bonds as the Secretary may deem necessary to protect the revenue, be withdrawn from bonded wine cellars—

(1) without payment of tax for export by the proprietor or by any authorized exporter;

(2) without payment of tax for transfer to any foreign-trade zone;

(3) without payment of tax for use of certain vessels and aircraft as authorized by law;

(4) without payment of tax for transfer to any customs bonded warehouse;

(5) without payment of tax for use in the production of vinegar;

(6) without payment of tax for use in distillation in any distilled spirits plant authorized to produce distilled spirits;

(7) free of tax for experimental or research purposes by any scientific university, college of learning, or institution of scientific research;

(8) free of tax for use by or for the account of the proprietor or his agents for analysis or testing, organoleptic or otherwise; and

(9) free of tax for use by the United States or any agency thereof, and for use for analysis, testing, research, or experimentation by the governments of the several States and the District of Columbia or of any political subdivision thereof or by any agency of such governments. No bond shall be required of any such government or agency under this paragraph.

(d) Withdrawal free of tax of wine and wine products unfit for beverage use

Under such regulations as the Secretary may deem necessary to protect the revenue, wine, or wine products made from wine, when rendered unfit for beverage use, on which the tax has not been paid or determined, may be withdrawn from bonded wine cellars free of tax. The wine or wine products to be so withdrawn may be treated with methods or materials which render such wine or wine products suitable for their intended use. No wine or wine products so withdrawn shall contain more than 21 percent of alcohol by volume, or be used in the compounding of distilled spirits or wine for beverage use or in the manufacture of any product intended to be used in such compounding.

(e) Withdrawal from customs bonded warehouses for use of foreign embassies, legations, etc.

(1) In general

Notwithstanding any other provision of law, wine entered into customs bonded warehouses under subsection (c)(4) may, under such regulations as the Secretary may prescribe, be withdrawn from such warehouses for consumption in the United States by and for the official or family use of such foreign governments, organizations, and individuals who are entitled to withdraw imported wines from such warehouses free of tax. Wines transferred to customs bonded warehouses under subsection (c)(4) shall be entered, stored, and ac-