INDUSTRY CIRCULAR
OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE
ALCOHOL AND TOBACCO TAX DIVISION
WASHINGTON 25, D. C.

Industry Circular No. 59-7 February 16, 1959

CONTINUATION OF DISTILLERS' EXISTING BONDS AND NOTICES AFTER APRIL 30, 1959

Proprietors of distilleries and others concerned:

Purpose. The purpose of this industry circular is to remind you of the provisions of subpart H of 26 CFR Part 170, Miscellaneous Regulations Relating to Liquor, under which the proprietor of a registered distillery or fruit distillery qualified to operate on April 30, 1959, may obtain a waiver of requirements for filing notice and executing new bond on May 1, 1959.

Background. Section 210(f) of the Excise Tax Technical Changes Act of 1958 (Public Law 85-859) is the statutory authority for the waiver referred to above. Subpart H of 26 CFR Part 170 (issued as paragraph 1 of Treasury Decision 6316, effective September 3, 1958), implements section 210(f) of the statute. Effective July 1, 1959, proprietors will be required to qualify as proprietors of distilled spirits plants under provisions of Public Law 85-859 which are effective on that date.

Procedure to obtain waiver. A distiller desiring a waiver of requirements for filing notice and new bond on May 1, 1959, must file with the assistant regional commissioner, a timely written request therefor accompanied by Form 1533 and, if required by the circumstances, Form 1602. Subpart H of 26 CFR Part 170 contains details of procedures to be followed and wording for the consent of surety on the distiller's bond.

Procedure where distiller's bond is given without surety. In an instance where the distiller's bond on Form 30 is given without surety but instead is supported by consent of surety on the distiller's transportation and warehousing bond, Form 1571, the applicable requirements of 26 CFR 170.145 may be satisfied by the filing of a consent on Form 1533, executed by the principal and the surety, reading as follows:

> To extend the terms of the above-described bond, Form 1571, and the distiller's bond, Form 30, dated _____, effective _____, in the penal sum of $100,000, written without surety, to cover operation of

registered distillery No._____, (address), to continue in effect the terms and conditions of said bond, Form 30, (including all extensions or limitations of such terms and conditions previously consented to and approved) to cover operations from May 1, 1959, to June 30, 1959, both dates inclusive.

Where Form 30 1/2 is involved instead of Form 30, the correct form number should of course be substituted.

Inquiry. Inquiries in regard to this industry circular should refer to its number and be addressed to the office of the assistant regional commissioner (alcohol and tobacco tax).

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