

TTB Cider Industry Federal Compliance Training



Alcohol and Tobacco Tax and Trade Bureau | February 3, 2016



Agenda

Time	Subject	Speaker
8:00 to 8:30	Cider Overview	Janelle Christian
8:30 to 9:10	Permit Applications	Kim Briedis
9:10 to 10:00	Recordkeeping	Martha Tebbenkamp
10:00 to 10:40	Operational Reports and Tax Returns	Martha Tebbenkamp
10:40 to 11:20	Formulas	Roberta Sanders
11:20 to 11:50	Labels	Nicole Candelora



TTB Disclaimer

Notice:

- This information is being presented to help the public to understand and comply with the laws and regulations that the Alcohol and Tobacco Tax and Trade Bureau administers
- It is not intended to establish any new, or change any existing, definitions, interpretations, standards, or procedures regarding those laws and regulations
- In addition, this presentation may be made obsolete by changes in laws and regulations
- Please consult the regulations for the most current regulatory requirements
- The Formulas Online screen shots included as part of this presentation contain fictitious data from the TTB test environment and do not include the data of actual industry members
- Other sample documents (such as records, returns, and labels) are also for illustrative purposes only and also contain fictitious data



CIDER OVERVIEW

Janelle Christian
Policy Advisor

What are Cider and Perry?

Which Federal Laws and Regulations apply?

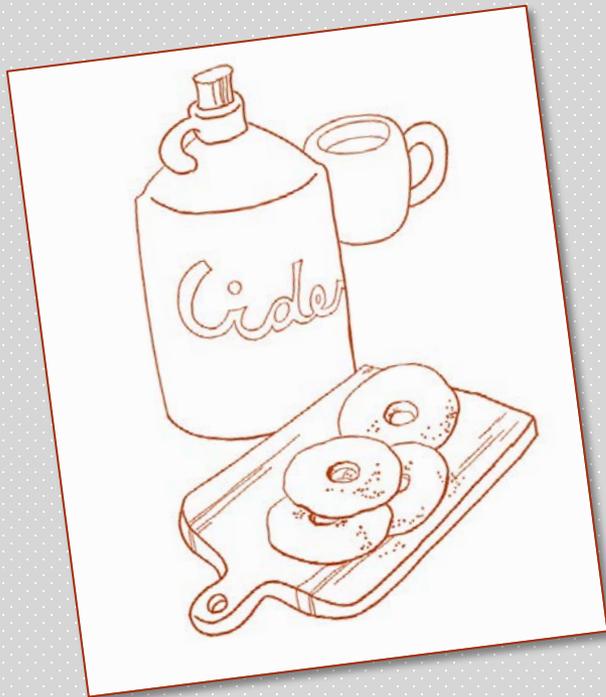
Which Federal Agencies have Jurisdiction over it?





What is Cider?

- The term cider is often used in a general way to cover a variety of different products





How Does TTB Define Cider and Perry?

...it's complicated!

- The words “cider” and “perry” only appear a handful of times in TTB regulations
- Yet cider and perry products made and sold as alcohol beverages are extensively regulated
- Since “cider,” “perry” and “hard cider” are defined in TTB regulations we’ll use “cider and perry products” as umbrella terms



How Does TTB Regulate Cider and Perry Products?

...it's VERY complicated!

- Cider/perry products are potentially regulated under 3 different laws that are enforced by TTB and even more TTB regulatory parts (CFR)



It's an Alcohol Beverage

Cider and perry products containing at least 0.5% alcohol by volume are regulated as alcohol beverages under the Internal Revenue Code of 1986 (IRC)



It's Wine

- Cider and perry products are regulated by TTB as **wines** under Chapter 51 of the IRC
- See implementing regulations in [27](#) [CFR part 24](#) (domestic wine premises) and [part 27](#) (imports)



IRC Requirements for Wine

- Qualification/Registration of Bonded Wine Premises
- Production Requirements
- Formulas (for some)
- Recordkeeping/Reports
- Taxes
- Basic labeling/marketing
- Other requirements



Fruit-Based Wine Classifications in Part 24

- For production purposes, part 24 subdivides wine into Standard Wine and Other than Standard wine
- Cider/perry products may be either one, depending on how they are made
- Cider/perry products that are standard wine may be either
 - Natural Wine
 - Special Natural Wine



Is My Cider/Perry Product Natural Fruit Wine?

“Natural Wine” is:

- Made by the normal alcoholic fermentation of the juice or must of sound, ripe fruit; and
- Made with any cellar treatment authorized by subparts F and L of part 24, and containing not more than 21 percent by weight of total solids

Natural fruit wine does not require formula approval



Is My Cider/Perry Product Special Natural Wine?

“Special natural wine” is:

- A flavored wine made on bonded wine premises from a base of natural wine
- The flavoring added may include natural herbs, spices, fruit juices, natural aromatics, natural essences, or other natural flavorings, subject to conditions set forth in 27 CFR subpart H

Special natural wine requires formula approval



Is My Cider/Perry Product Other Than Standard Wine?

“Other than standard wine” is:

- Made by blending wines produced from different kinds of fruit, e.g., apple wine blended with blueberry wine
- Made with materials not authorized for use in standard wine, e.g., added flavors and colors
- Made with amounts of sugar or water in excess of standard wine limits

Other than standard wine requires formula approval



Why Does it Matter?

The classification of cider/perry as a natural wine, a special natural wine, or an other than standard wine affects how it can be made and whether a formula is required, but it does not affect the tax rate



Tax Classification of Cider/Perry Products

In general, the tax classification of cider and perry products is determined by:

- Alcohol content
- Level and origin of carbon dioxide
- Fruit content (“hard cider” only)

Small domestic wine producers may be eligible for a credit, which will be covered later



Tax Classification of Cider/Perry Products

Hard Cider*	Per wine gallon
<ul style="list-style-type: none">• “Still wine” (<0.392g CO₂/100mL) derived primarily from apples or apple concentrate and water, containing no other fruit product, and containing at least 0.5% and less than 7% alcohol by volume• Non-fruit flavors (such as ginger or spices) do not disqualify a cider from eligibility for the hard cider tax rate	22.6¢
Still Wine	
<ul style="list-style-type: none">• 14% alcohol by volume and under	\$1.07
<ul style="list-style-type: none">• Over 14 - 21% alcohol by volume	\$1.57
<ul style="list-style-type: none">• Over 21 - 24% alcohol by volume	\$3.15
Artificially Carbonated Wine	\$3.30
Naturally Sparkling Wine	\$3.40



“Hard Cider” Tax Class

- **Law:** Congress passed the Taxpayer Relief Act of 1997, Pub. L. 105-34, which added a new tax class for a wine called “hard cider”
- **Rationale:** Congress understood that as an alcohol beverage, hard cider competes more as a substitute for beer than as a substitute for wine and accordingly concluded that it would “improve market efficiency and fairness to tax this beverage at a rate equivalent to the tax imposed on the production of beer by small brewers” *Joint Committee on Taxation, General Explanation of Tax Legislation Enacted in 1997 (JCS-23-97), December 17, 1997, at 117*



“Hard Cider” Tax Class

- The Internal Revenue Code defines **Hard Cider** as a “still wine derived primarily from apples or apple concentrate and water, containing no other fruit product, and containing at least one-half of 1 percent and less than 7 percent alcohol by volume” (See 26 U.S.C. 5041(b)(6))
- “Still wine” must contain no more than 0.392 grams of carbon dioxide per 100mL (See 26 U.S.C. 5041(a))
- This definition was amended by Congress in December 2015 for cider removed after December 31, 2016



“Hard Cider” Tax Class

- [27 CFR 24.10](#) further defines "hard cider"
- Under the law and regulations, cider must meet all of the following criteria in order to qualify for the "hard cider" tax rate:
 - Still wine derived primarily from apples or apple concentrate and water (apple juice, or the equivalent amount of concentrate reconstituted to the original brix of the juice prior to concentration, must represent more than 50 percent of the volume of the finished product)
 - Containing no other fruit product nor any artificial product which imparts a fruit flavor other than apple;
 - Containing at least 0.5% and less than 7% alcohol by volume;
 - Having the taste, aroma, and characteristics generally attributed to hard cider; and
 - Sold or offered for sale as hard cider



Quiz: Is it Eligible for the Hard Cider Tax Rate?

Ingredients	Alcohol by Volume	CO ₂ per 100 mL	Hard Cider Tax Rate?
	< 7%	< or = 0.392g	✓
	< 7%	< or = 0.392g	X
	> or = 7%	< or = 0.392g	X
	< 7%	> 0.392g 	X
	< 7%	< or = 0.392g	X



Tax-Exempt Cider*

- The IRC sets forth a narrow category of cider that is not subject to tax
- To qualify, this cider must meet all of the conditions of the law and regulations:
 - Produced solely from the noneffervescent fermentation of apple juice without the use of any preservative method or materials;
 - Produced at a place other than a bonded wine premises; and
 - Sold or offered for sale as cider, and not as wine or a substitute for wine
- This exemption typically applies to cider produced by farmers and sold at roadside stands

*When we discuss “cider products” in this presentation, we are not referring to tax-exempt cider

[26 U.S.C. 5042\(a\)\(1\)](#) and [27 CFR 24.76](#)



Labeling of Cider/Perry Products

Again...it's complicated!

- There are 3 laws enforced by TTB and at least 4 TTB regulatory parts that may come into play, depending on multiple factors
- FDA food labeling may be required
- CBP import labeling may also be required



Labeling of Cider/Perry Products

There are labeling and marking requirements found in part 24 that apply to all cider/perry products removed from U.S. wine premises that have at least 0.5% alcohol by volume

[27 CFR 24.257](#)



Cider/Perry Products with 7 – 24% Alcohol by Volume

- **Federal Alcohol Administration Act (FAA Act) 27 U.S.C. 201-211** defines wine as having 7-24% alcohol by volume
- Implementing regulations are found in 27 CFR parts [1](#), [4](#), [6](#), [8](#), [10](#), [11](#), and [13](#) cover issues such as:
 - Labeling
 - Certificate of Label Approval (COLA)
 - Qualification (Basic Permit)
 - Advertising
 - Trade Practices
 - Labeling Proceedings



Fruit-Based Wine Classifications in Part 4

- For labeling purposes, part 4 subdivides wine into 9 classes, including class 5: Fruit Wine
- Wine that does not fit into any of the 9 classes is commonly called a wine specialty product
- Cider/perry products may be classified as either one under part 4, depending on how they are made



“Cider” or “Perry” Labeling Designations in Part 4

- Fruit wine, [27 CFR 4.21\(e\)\(5\)](#), is produced by the normal alcoholic fermentation of the juice of sound, ripe fruit, with prescribed limitations for addition of sugar and water for amelioration, and with or without added fruit brandy or alcohol
 - If fermented from more than one fruit, must be labeled with a truthful and adequate statement of composition
 - May be designated as “apple wine” or “cider” if derived wholly (except for sugar, water, or alcohol) from apples
 - May be designated as “pear wine” or “perry” if derived wholly (except for sugar, water, or alcohol) from pears



“Cider” or “Perry” Labeling Designations in Part 4

- Wine specialty products do not fit into any of the Standards of Identity [27 CFR 4.34\(a\)](#) and must be labeled with a truthful and adequate statement of composition
 - When adding flavors, colors, or spices
 - Blending apple/pear wine with another fruit wine



Labeling Cider/Perry Products under 7% Alcohol By Volume

- Wines containing less than 7 percent alcohol by volume are not subject to the labeling requirements of the FAA Act
- Instead, those wines must comply with applicable FDA food labeling and packaging requirements, including ingredient labeling, nutrient labeling, and allergen labeling requirements



Cider and Perry Products under 7% Alcohol By Volume

Please consult FDA for information about the following FDA requirements:

- Federal Food, Drug, and Cosmetic Act
 - [21 U.S.C. 341-350](#)
 - Food labeling regulations are found in [21 CFR part 101](#)
 - Certain small businesses can be exempt from Nutrition Facts Labeling (See [Small Business Nutrition Labeling Exemption](#))
- Fair Packaging and Labeling Act
 - [15 U.S.C. 1451-1461](#)



Government Health Warning Statement

Alcoholic Beverage Labeling Act (ABLA):

- [27 U.S.C. 213 - 219a](#)
- Implementing regulations [27 CFR part 16](#)
- Requires health warning statement
- Applies to **all alcoholic beverages** (including cider and perry products) with 0.5% alcohol by volume or more-- even to products that are not subject to FAA Act labeling requirements!



Legal Recap

Alcohol content	Internal Revenue Code 27 CFR part 24 (domestic) 27 CFR part 27 (imports)	Alcohol Beverage Labeling Act 27 CFR part 16 Government Health Warning	Federal Alcohol Administration Act 27 CFR parts 1 and 4 (and others)	FDA Labeling and Packaging Regulations	CBP Regulations
	TTB	TTB	TTB	FDA	CBP
0.5% - < 7%	X	X		X	X
7% - 24%	X	X	X		X



Cider Products Recap

Cider products containing at least 0.5% alcohol by volume:

- Regulated as wine
- Must be made at qualified bonded wine premises
- May be eligible for the hard cider tax rate
- May require formula approval
- Must be labeled in compliance with:
 - 27 CFR part 24 – Wine (domestic)
 - 27 CFR part 16 – Health Warning Statement
 - 27 CFR part 4 – Wine (if 7% or more alc. by vol.)
 - FDA labeling regulations (if under 7% alc. by vol.)
 - U.S. Customs regulations (if imported)



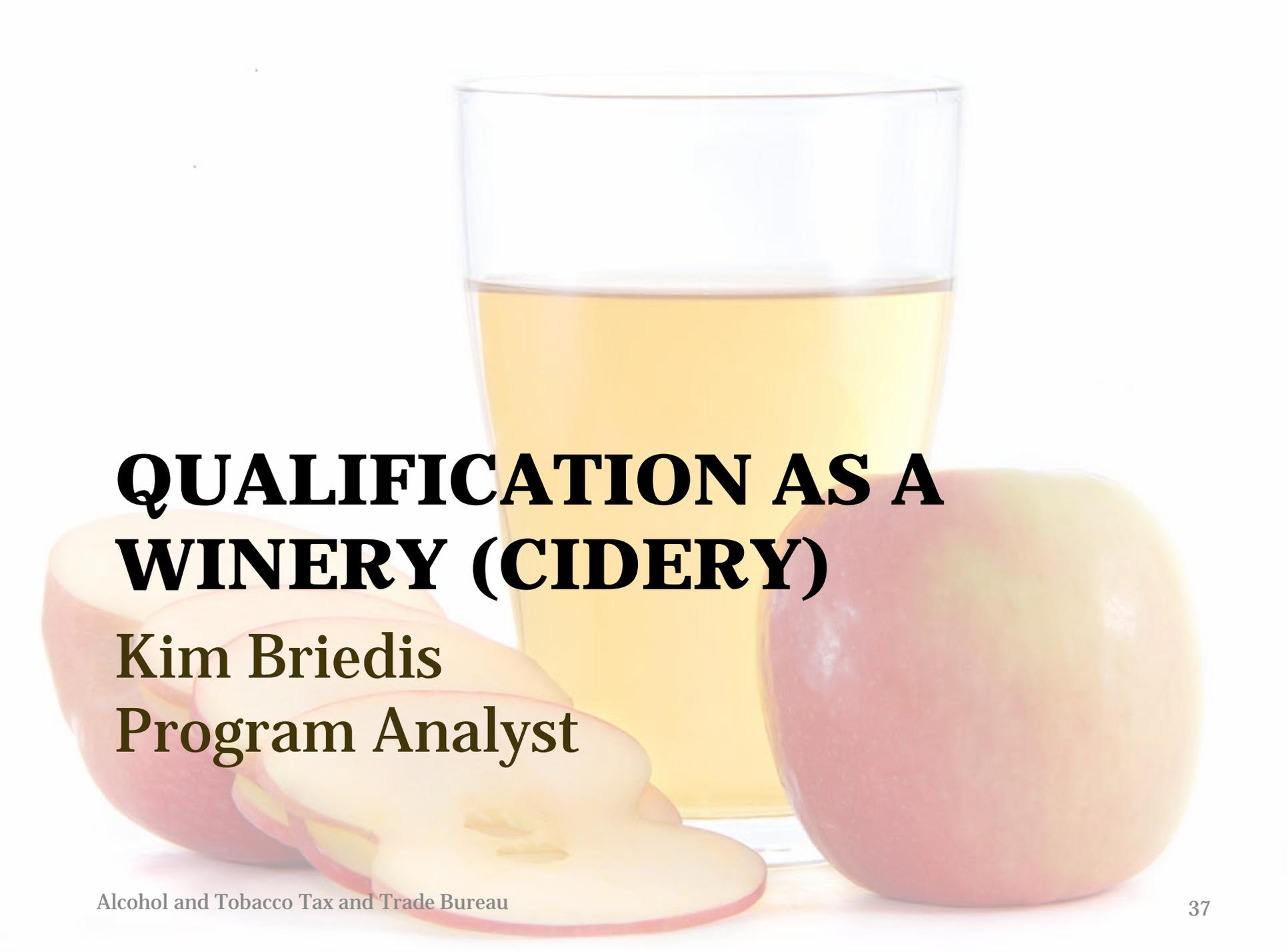
Perry Products Recap

Perry products containing at least 0.5% alcohol by volume:

- Regulated as wine
- Must be made at qualified bonded wine premises
- **Not** eligible for the hard cider tax rate
- May require formula approval
- Must be labeled in compliance with:
 - 27 CFR part 24 – Wine (domestic) (or part 27 for imports)
 - 27 CFR part 16 – Health Warning Statement
 - 27 CFR part 4 – Wine (if 7% or more alc. by vol.)
 - FDA labeling regulations (if under 7% alc. by vol.)



Questions?



QUALIFICATION AS A WINERY (CIDERY)

Kim Briedis
Program Analyst



Before You Apply

- You must be able to produce in a reasonable amount of time
- You must have a securable building
- You may have a production area in your residence, with proper segregation.
- If using a surety bond, obtain an executed bond



Online Submission



Permits Online is a secure, web-based system that facilitates and streamlines the online submission, routing, and internal processing of original and amended applications.



Permits Online

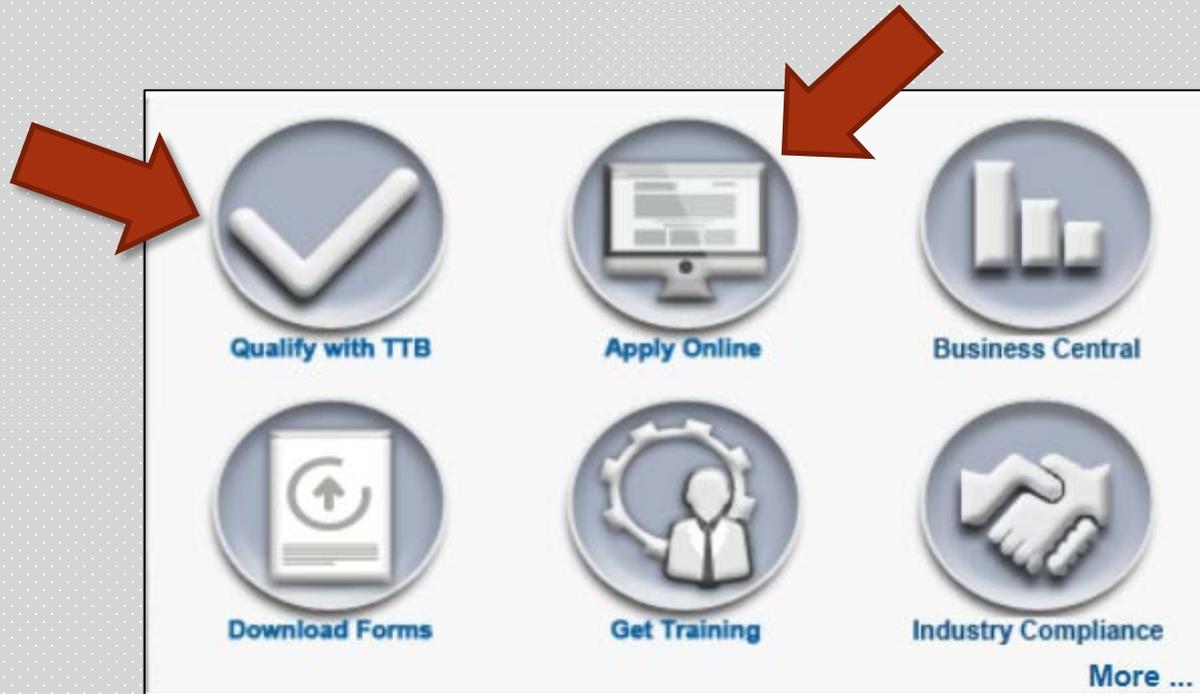
<https://www.ttbonline.gov/permitsonline>

- Self registration
- Streamlined online application submission process
- Step by step guidance through Online Help
- Online document submission
- Ability to search applications and check application status online 24 X 7
- Receive application notifications through e-mail
- Access approved documents electronically



Accessing Permits Online

- From the TTB.gov homepage





TTB Online

http://www.ttb.gov/main_pages/ttb-online-homepage.shtml

TTB ONLINE



TTB Online is a suite of Web-based tools that allow you to complete certain transactions online with TTB. Use our free online tools to prepare and file your permit applications, operational reports, tax returns, and formula applications, or to apply for label approval, pay your federal excise taxes, or browse the Public COLA Registry.

To get started with any of our TTB Online tools, click on its logo.



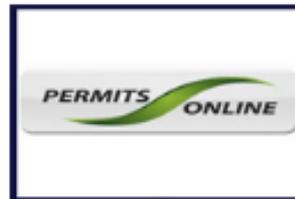
COLAS ONLINE

Complete the federal alcohol label certification and approval process online.



FORMULAS ONLINE

Draft, submit, and track alcohol beverage formula applications as well as process drawback and SDA formulas.



PERMITS ONLINE

Draft, submit, and track basic permit applications.



PUBLIC COLA REGISTRY

Explore the public side of COLAs Online to access approved, expired, surrendered, or revoked COLAs.



PAY.GOV

Use this government-wide financial system to file electronic operational reports and to make federal excise tax payments/returns



Permits Online Homepage

<http://www.ttb.gov/ponl/permits-online.shtml>



Home: Permits Online



Permits Online Customer Support

Important Announcement: [New Permits Online Tutorial Now Available](#) (09/05/14)



Click [HERE](#) to register and begin using Permits Online.

Permits Online makes it easy for you to apply for the type of permit you need to start your business - just follow the instructions and prompts. When you finish entering the required information and click submit, we begin processing your application, and send you a tracking number so you can check the status of your application online. If you are prompted for additional documentation during the process, you can upload the requested documents electronically. There is no fee to apply.

Passwords and General Account Information

- [Registering for Permits Online](#)
- **Forgotten Username - NOTE: You cannot use your COLAs Online and/or Formulas Online username and password for this application.**
- [Forgotten Password](#)
- [Reset Expired Password](#)
- **Unlock a Locked Account - Contact Customer Support at 877-882-3277 or by email at Permits.Online@ttb.gov**
- [Amending your applications](#)

Printing / Accessing Approval Documents

Turnaround Times and Processing

- See [average application processing times](#) for details.
- Log into your Permits Online account to check your status.
- Our goal is to process applications within 75 days of receipt.
- Only call us to inquire about the status of applications if we have exceeded the average application processing times described in the above link.

We appreciate your cooperation and understanding, and we will continue in our endeavor to serve you better.

Release Notices
 Version 4.0 Updates - July 2014
 Version 3.7 Updates - April 2014

Contact
 Email: Permits.Online@TTB.gov
 Phone: 855-TTB-PONL
 (855-882-7866)
 Fax: 202-463-2989
 Website:
<https://www.ttbonline.gov/permits>

Most Requested
 System Maintenance Schedule
 Average Processing Time
 CUSTOMER REFERENCE GUIDE
 Processing Steps
 Required Attachments
 TTB Glossary

ANNOUNCEMENTS

[Permits Online Tutorial Now Available](#)
 (09/05/14)

[Permits Online Email Notification](#)
 (07/28/14)

[Permits Online Version 4.0 Available](#)
 (07/17/14)

[TTB Will Begin Accepting Board of
 Power of Attorney Forms through
 Permits Online April 28](#) (04/17/14)

[TTB Issues New Heartbleed
 Statement](#) (04/14/14)

[Heartbleed Bug Status at TTB](#)
 (04/14/14)

[See How Long it Takes to Process
 Applications](#) (10/18/13)

HOW DO I...?

Most Requested
 System Maintenance Schedule
 Average Processing Time
CUSTOMER REFERENCE GUIDE
 Processing Steps
 Required Attachments
 TTB Glossary

HOW DO I...?

Choose Topic:
 Create an amendment in Permits Online
 Upload after submittal
 Verify received documents
 Add application contacts
 Details on Incomplete Status
 Notify TTB of OOI Tracking
 Change password if forgotten
 Find username if forgotten
 Edit submitted application
 Obtain required TTB Forms
 Print online application
 Edit permit approved on paper
 Obtain approval documents
 Copy my application



Permits Online

[Register for an Account](#) | [Login](#)
 Accessibility Support |

[Home](#) | [Alcohol Permits & Registrations](#) | [Tobacco Permits & Firearms Registration](#)

PERMITS ONLINE

Welcome to the Alcohol and Tobacco Tax and Trade Bureau (TTB) Permits Online System

We are pleased to offer all of our industry members access to TTB government services online, 24 hours a day, 7 days a week, fulfilling our desire to deliver more efficient, convenient, and interactive e-government services. [Click here for a description of application types currently available..](#)

To use any of the services we provide you must have a user account. If you have already registered for your account you can login using the **Login** link at the top of the screen. If you do not have an account, please select **Register for an Account** and create a user account to get started. To contact TTB for more information or support in using the Permits Online system, please call 1-855-TTB-PONL (1-855-882-7665).

Login

User Name or E-mail:

Password:

Remember me on this computer

[I've forgotten my password](#)

[New Users: Register for an Account](#)



Owner Officer Information

- Owner Officer Information (OOI) Applications
 - Must be completed for *every person* who will be listed as a stockholder holding 10% or more, Sole Proprietor, Partner, Officer, Director, Trustee, Member and/or Managing Member of an LLC; a limited or general partner in a partnership; or a sole proprietor
 - Must be completed before completing the commodity application



Cider Application

REASON FOR THE APPLICATION
Indicate whether this Original Application is being filed due to a New Business, a Change of Proprietorship, or a Change in General Partner(s) by checking the appropriate box.

New Business: *

Change of Proprietorship - Ownership: *

Change of General Partner(s): *

Permit Number(s) of Predecessor:

Registry Number(s) of Predecessor:

Name and Address of Predecessor:

APPLICATION INFORMATION
This Information pertains to your business organization and the timing of commencement of your proposed operations.

* Type of Organization:

State Where Incorporated/Organized:

Start Date for New Business Upon Approval by TTB: *

Date of Change:

APPLICATION TYPE
Please select the ? next to each Application Type before making your selection to ensure you are choosing the correct one. If the application is submitted with an Incorrect Application Type, you will have to re-apply to correct the error.

Bonded Winery - Full Operations: *

Bonded Wine Cellar - Storage ONLY: *

Bonded Wine Cellar - Blender: *

Bonded Winery - Blending and Production under 7% alcohol: *

Tax Paid Wine Bottling House:

Cider Producer - Under 7% Alcohol Only: *

Select "Bonded Winery – Full Operations" if you plan to produce cider with an alcohol content of 7% or higher

Select "Cider Producer – Under 7% Alcohol" if you only plan to produce cider with an alcohol content of less than 7%



Alternating Premises

X

ALTERNATION OF PREMISES

Select "Add a Row" for each additional commodity type (under the same ownership) being conducted at this location alternating the use of the premises.

*** Type of Alternating Operation:** ?

--Select--

Bonded Wine Cellar

Bonded Wine Cellar - Blender

Bonded Winery - Blending Wine

Bonded Winery - Producing and Blending Wine

Bonded Winery

Brewery

Distilled Spirits Plant

Taxpaid Wine Bottling House

*** Are you alternating with another entity?:** ?

Yes No

If yes, Registry Number:

If yes, Name of Alternator:

Some Permissible Alternations for Bonded Wineries:

- Brewery
- Distilled Spirits Plant
- Taxpaid Wine Bottling House



Alternating Premises

- If both operations are new, original applications for each type of operation should be submitted simultaneously
- If the winery/cidery operation already exists, an amended application to add the alternation operation should be submitted



Alternating Premises

Required:

1. Lease – must allow for the activity
2. Diagram – must show designated areas
3. Evidence of existing bond, TTB F 5000.18 – Change in Bond (Consent of Surety), or new bond covering the alternation
4. Notice of Alternation (Brewery Only)
5. Physical segregation between operations



Alternating Premises

Wording for TTB F 5000.18, Change in Bond (Consent of Surety)

For Winery Consent: To continue in effect the terms and conditions of the above referenced bond while periodically alternating the bonded winery premises for use as distilled spirits plant premises, and back again, in the manner described in the Application to Establish and Operate Wine Premises, TTB Form 5120.25. To cover wine on which the federal excise tax has not been paid, while being conveyed between bonded areas of the winery, across any other premises.

For DSP Consent: To continue in effect the terms and conditions of the above referenced bond while periodically alternating the distilled spirits plant premises for use as bonded winery premises, and back again, in the manner described in the DSP registration, TTB Form 5110.41. To cover spirits on which the federal excise tax has not been paid, while being conveyed between bonded areas of the distilled spirits plant, across any other premises.



Alternating Premises

Wording for TTB F 5000.18, Change in Bond (Consent of Surety)

For Winery Consent: This consent extends the terms of the bond identified above to cover the alternation of the winery premises between the winery and our brewery, periodically suspending and resuming operations, by extension and curtailment of premises, in accordance with the procedures described in the original winery registration and the amended brewer's notice. In addition, this consent extends the terms of the bond to cover the conveyance of non-taxpaid wine across brewery premises.

For Brewery Consent: This consent extends the terms of the bond identified above to cover the alternation of the brewery premises between the brewery and our winery, periodically suspending and resuming operations, by extension and curtailment of premises, in accordance with the procedures described in the amended brewer's notice and the original winery registration. In addition, this consent extends the terms of the bond to cover the conveyance of non-taxpaid beer across winery premises.



Premises Description

* Describe each Tract of Land by using directions and distances:

* Describe the Wine Premises Security:

* Describe any Tax paid Wine Storage:

* Is your winery in a Residential Building?:

* Describe any Alternating Premises (if applicable):

* Describe each Wine Premises Building: Provide size, construction, use and location of doors and windows.:

* If you are applying as a Bonded Wine Cellar or Tax paid Wine Bottling House, would you agree to the listing of your name by TTB that may be distributed to the general public upon request:



Premises Description

* Describe any operation which will include spirits:



* Describe any Volatile Fruit-Flavor Concentrate Operations produced:



* Describe any other operations you plan to conduct on the wine premises and equipment to be used:



Cider Producer - Under 7% Alcohol:



Cash Bonds

- Cash bonds are paid through Permits Online.
- Complete the Bond Table

Select Cash Bond
from Bond Category

WINE BOND

A wine premises proprietor (except for a Tax Paid Wine Bottling House) filing an original application must upload a wine bond with sufficient bond coverage. Click [here](#) to access a worksheet to assist in determining your correct bond coverage.

Select "Add a Row" to enter the information listed on your TTB Form 5120.36, Wine Bond. This information must match exactly with the uploaded form.

* Commodity Type: --Select--	* Bond Kind: --Select--	* Effective Date of Bond: <input type="text"/>
* Bond Coverage - Operations: <input type="text"/>	Bond Coverage - Deferral: <input type="text"/>	* Bond Coverage - Total Penal Sum: <input type="text"/>
* Bond Category: --Select--	If Surety - Surety Name: <input type="text"/>	If Surety - Bond Number: <input type="text"/>
If T-Note or T-Bond - CUSIP Number: <input type="text"/>	If T-Note or T-Bond - Interest Rate: <input type="text"/>	If T-Note or T-Bond - Maturity Date: <input type="text"/>
If T-Note or T-Bond - Issue Date: <input type="text"/>	* Execution Date: <input type="text"/>	



Cash Bond Payment

- After you have completed and reviewed the application, you will be prompted for your banking information
- The application cannot be submitted without your banking information

The screenshot shows a web form titled "Permits Online Cash Bond" on the Pay.gov platform. The form prompts the user to "Please enter checking or savings account information below." and includes a note that an asterisk indicates required fields. The form contains the following information and input fields:

- Agency Tracking ID: PONLCB63191
- Payment Amount: \$1,000.00
- * Account Holder Name:
- * Account Type:
- Routing Number:
- Account Number:
- Check Number:
- * Routing Number:
- * Account Number:
- * Confirm Account Number:

At the bottom of the form, there are "Cancel" and "Continue" buttons.



Required Documents

<http://www.ttb.gov/ponl/permits-online-required-documents.shtml>

Attachment

Click "Browse" to search your computer for each of the required documents that need to be uploaded. Completing this section will require you to have previously saved each document on your computer.

Users running Apple OS X 10.6.8 or later should click [here](#) for instructions to provide their supporting documents.

WARNING: You will be required to select a document "TYPE" and "Description" of each uploaded document. You MUST select the SAVE button at the bottom of this screen BEFORE clicking the Continue Application button to ensure all the uploaded documents are successfully attached to your application.

Attachment List
Files can be up to 16MB in size. Acceptable file types include .doc, .docx, .pdf, .jpg, .xls, .xlsx

Name	Type	Size	Date
No records found.			



* Type:
Bond Form

File:
Bond Form.docx

* Description:
BOND

Attachment

Click "Browse" to search your computer for each of the required documents that need to be uploaded. Completing this section will require you to have previously saved each document on your computer.

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Attachment List
Files can be up to 16MB in size. Acceptable file types include .doc, .docx, .pdf, .jpg, .xls, .xlsx

Name	Type	Size	Date	Action
Amended Articles of Incorporation.docx	Amended Articles of Incorporation	12.36 KB	01/06/2015	Actions ▼
Bond Form.docx	Bond Form	12.34 KB	01/06/2015	Actions ▼
Articles of Incorporation.docx	Articles of Incorporation	12.36 KB	01/06/2015	Actions ▼

Save and resume later:



Submission of Application

- Review everything before submitting
- Be sure all required forms are uploaded/
attached



Processing Times

<http://www.ttb.gov/nrc/average-days.shtml>

- Processing times can be found on TTB.gov
- Current processing times for Bonded Wineries are about 145 days





After Submission

Home | Alcohol Permits & Registrations | Tobacco Permits & Firearms Registration

[Create a New Application](#) | [Search Your Applications](#)

Record 2014-BWNP-02520-O: [Add to collection](#)
Bonded Winery, Producing and Blending Wine

Premise Location:

123 main ST
Cincinnati OH 45202-1234

Record/Application Details

Business Name:
98-7654987 / Kim's Consulting
▶ [More Details \(Click arrow to view details\)](#)

▶ [Cash Bond Payments](#)

▶ [Inspections](#)

▶ [Status \(Click arrow to view details\)](#)

▶ [Supporting Documents and Attachments \(Click arrow to view details\)](#)

▶ [Related Records/Applications \(Click arrow to view details\)](#)

▶ [Valuation Calculator](#)

▶ [Trust Account Information](#)

Check your processing status

Upload additional documents



Converting to Permits Online

- If your application was approved on paper and you would like to file future amendments through Permits Online
 - Email Permits.Online@ttb.gov (Use [TTB encrypted email](#))
 - Include your company name, EIN, Permit/Registry number and ask that your info be included in the next data download
 - You will receive an email notification once your information is available in Permits Online



Can Breweries Produce Cider or Perry Products?

- Under Federal law and TTB regulations, only a bonded wine premises approved by TTB may commercially produce wine (including cider or perry products)
- A brewer may request TTB approval to alternate the premises from a brewery to a bonded wine premises or *vice versa*
- TTB regulations require that the bonded wine premises be approved, bonded, and operated independently from the brewery and *vice versa*



Questions?

A glass of beer, a whole apple, and several apple slices. The glass is filled with a golden beer and is positioned in the center. To its right is a whole red apple, and to its left are several slices of red apple. The background is plain white.

RECORDKEEPING

Martha Tebbenkamp
Field Investigator



Recap - Two Federal Laws

Internal Revenue Code

- Qualification of cider/wine premises
- Payment of Taxes



Federal Alcohol

Administration Act

- Basic Permits for qualified applicants
- Truthful Labeling and Advertising
- Fair Trade Practices





Internal Revenue Code (IRC)

Applies to all cider and perry products

- Revenue protection
- Premises
- Production
- 27 CFR part 24 (domestic wine premises) and part 27 (imports)





Federal Alcohol Administration Act (FAA Act)

Applies only to wine (including cider or perry products) 7% or more alcohol by volume

- Basic Permits - 27 CFR part 1
- Labeling & Advertising - 27 CFR part 4



Alcoholic Beverage Labeling Act (ABLA)

Applies to any cider or perry products 0.5%
alcohol by volume or more

- Health Warning Statement – 27 CFR part 16



Cider is a WINE under IRC

- Under the IRC, TTB regulates wines that contain .05% to 24% alcohol by volume
- Producers need a REGISTRY
- Producers need a BOND



Bonded Wine/Cidery Premises

Allowable Operations

- Receive, produce, blend, treat, store, and bottle untaxpaid wine/cider
- Use wine/cider spirits in wine production
- Receive, use, and remove materials for production and treatment of cider
- Prepare, store, and remove commercial fruit products and by-products



Basic Records - IRC

- Records support tax payment
- Records support label claims
- Records flow to the TTB report filed by every plant
- 27 CFR part 24 - Subpart O - Records and Reports
- Most pitfalls can be avoided with good records
- Can be compilation of source documents or a summary



Recordkeeping

Record: what it is, what you did with it

- Materials received and used e.g., apples, pears, treatment materials
- Acid and chemical records
- Cider produced
- Cider received or transferred in bond
- Cider bottled/kegged or removed



Records- General

- Record operations as they occur
- Get and retain source documents
- Accurately ID alcohol content, quantities
- Keep the “pedigree” of the product clear
- Retain for 3 years from last entry
- All records subject to inspection



TTB GOAL

- Verify cider or perry product is properly labeled
- Verify all label claims fully supported
- Verify use of only authorized materials
- Verify advertising, POS materials are appropriate
- Verify any formulas in use are followed



Receipt of Materials

- **Materials Received and Used: 27 CFR 24.315**
- **Acid Record: 27 CFR 24.318**
- **Sugar Record: 27 CFR 24.317**
- **Chemical Record: 27 CFR 24.320**
- **Spirits Record: 27 CFR 24.316**



Other Records May Be Necessary

- **Effervescent Wine Record: 27 CFR 24.302**
 - **Formula Wine Record: 27 CFR 24.303**
 - **Cider or Perry Products Returned to Bond: 27 CFR 24.312**
- ...and others – see 27 CFR 24.301-.323



Bulk Wine/Cider Record

27 CFR 24.301

- Volume Produced and Method
- Volume Received and Removed
- Volume Used for Tax Class Blends
- Keep by tax class





Bottled/Packed Record

27 CFR 24.308

- Volume
- Tax Class
- Kind
- Results of Fill and Alcohol Tests



Fill and Alcohol Tests

27 CFR 24.255(d) and (e)

- Alcohol test taken before bottling
 - Should agree with alcohol by volume shown on label
- Fill samples taken at representative intervals
 - Should agree with the stated net contents on the label or bottle



Sample Batch Record

Black and Gold Perfection

Batch # 2015-12

Date	Activity	Tank	Volume	Notes
9/11/2015	Pressed 1800# Kingston Black, juice to tank	12	Approx. 1000 gallons	Brix 23.5, TA .6, <u>ph 2.1</u>
9/12/2015	Pressed 1000 # Golden russet, juice to tank	13	Approx. 500 gallons	Brix 26.2, TA .6, <u>ph 2.1</u>
9/12/15	Rack off tk 12 and 13 to <u>tnk 9</u> , inoculate	9	<u>Approx 1100</u> gallons	
9/30/2015	Add 8# bentonite	9	Approx. 1100 gallons	
10/2/2015	Rack & Filter, declare produced, add 20 ppm so2	15	982 gallons	5.02 <u>alc</u> , TA .45
10/10/15	Rack to <u>Tnk 21</u> , Add 20 gallons raspberry Concentrate, blend	21	1002 gallons	<u>Happyberry # 6</u> flavor, formula 15-6 5.6 <u>alc</u>
11/25/15	Bottle 419 12/750 cases, 996.1 gallons	21		3.9 gallon loss COLA 14-28, <u>Alc 5.1</u> Fill 750, 751, 749, 749



Sample Bottling Record

BOTTLING LOG 5/21/14

Product: Raspberry -Apple Ciderator

Packaging: 12/750 XX 24/375__

COLA: 13-6

Tank:BT 3__

Start: 2990g End: 0g Used: 2990g

Cased Bottled: 1252, 6 bottles

Gallons: 2977.8

Bott Loss/Gain: Loss 23.2 g

Fill: 8 am 751

ALC: 6.8

11 am 749

1 pm 750



Removals from Bonded Premises

Untaxpaid removals (subject to regulations)

- Tasting on bonded premises
- Analytical testing/TTB samples
- Family use for some
- Destruction, breakage
- Export out of U.S.



Transfer in Bond Record

27 CFR 24.309

- Bulk or Bottled
- Supporting documents must contain information bottler may want to use (to maintain records and support any label claims)
- Transfer of unlabeled bottled cider (“Shiners”)-See FAQ #W8





Sample Transfer in Bond Record

SHIPPING MEMORANDUM

July 5, 2010

From: Martha Orchards

TO: Cold Kiss Storage

221 Main Street

1850 Pear Ave

Spar, Montana 97223

Pruner, MT 66552

BW-MT-12345

BWC-MT-88779

TRANSFER IN BOND

10 cases, 12/750 ml Magnificent Martha Hard Cider, 3 % alc

5 cases, 12/750 ml, Sparkly Frost, sparkling apple cider

2 cases, 24/375 ml, Apple-Raspberry Cider, 8 % alcohol

Total

Hard Cider 23.7753 gallons

Sparkling 11.88765 gallons

14% and under 4.75505 gallons



Removals from the Bonded Premises

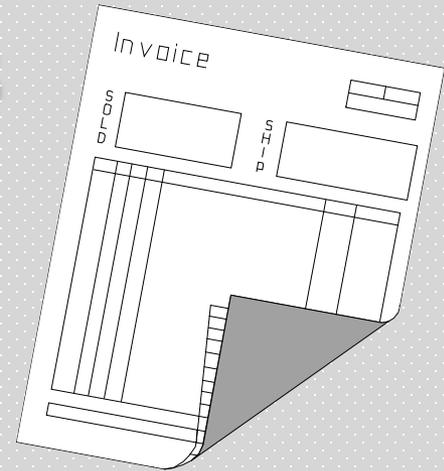
Taxable Removals

- All cider or perry products removed from the bonded premises for CONSUMPTION or SALE
- Includes tastings away from the bonded premises, whether on-site or in remote locations



Taxpaid Removals

27 CFR 24.310



- An INVOICE is an acceptable record
- Removals must be summarized daily, by tax class, to the nearest tenth of a gallon in order to be properly tax-determined
- Name and address, Volume, Kind, Alcohol Content
- Taxes are paid Annually, Quarterly or Twice-Monthly



Sample Removal Record

SENT

Apple of My Eye Cider Company
221 Red Delicious Way
Salem ID 98256

Rather B. Pressing
8220 Orchard St
Toppenish WA 77622

Invoice # 0000001
Invoice Date December 10, 2015

Balance Due (USD) \$29.00

Item	Description	Unit Cost	Quantity	Line Total
3 cases 12/750 ml	Yummy Apple Hard Cider, 5 % alcohol	4.00	3	12.00
1 case 12/750 ml	Amazing Apple Sparkling Apple Cider, 8% alcohol	5.00	1	5.00
2 cases 12/750 ml	Tasty Apple Cider, 8 % alcohol	6.00	2	12.00

Total 29.00
Amount Paid 0.00

Balance Due (USD) \$29.00

Notes

Hard Cider 7.13259 wg
Sparkling 2.37753 wg
Not over 14% 4.75506 wg



Label Information Record

27 CFR 24.314

Must give *sufficient information* for verification by TTB audit

- Receipt Records
- Crush Records
- Fermentation Records
- Storage Records



Inventory Record

27 CFR 24.313

- You must complete annual physical inventory
- Results reported on TTB F 5120.17 only when a complete inventory is taken
- Unexplained bottled shortages must be taxpaid



Inventory Record Details

27 CFR 24.313

- This record must include:
 - Description of cider/perry product
 - Volume of bulk and bottled cider, totaled separately by tax class
 - All pages of inventory record must be consecutively numbered
 - Last page must be dated and signed by person with signature authority, under penalties of perjury



Recordkeeping Matters

- Keep By Tax Class
- Keep in liters or gallons
- Retain for 3 years from last entry
- Computerized Records OK

27 CFR 24.300



Minimum Requirements for Computer Records



- The software application must capture and retain all required information
- If source records are maintained at the premises, other “computerized records” may be elsewhere (on servers, etc.)
- Any data stored on media or in the cloud must be retrievable within five (5) business days



Compliance Concerns

Records

- Production/cellar records not detailed enough to support label claims
- Destructions are not pre-approved by TTB and lack records
- Transfer in bond documents lack enough detail to support future labeling



Compliance Concerns Records

- Spirits records lack detail
- Annual inventory not taken, recorded, signed, or properly reported
- Taxpaid removal records lack enough information to properly prepare reports and tax returns



Questions?

A glass of beer, a whole apple, and several apple slices. The glass is filled with a golden beer and has a white head of foam. The apple is red and yellow, and the slices are arranged in a fan shape in front of the glass.

REPORTS, RETURNS, AND TAXES

Martha J. Tebbenkamp
Field Investigator



Report of Wine Premises Operations

- [TTB Form 5120.17](#) or [TTB Form 5120.17sm](#)
- Information from records is reflected here
- Report in GALLONS only
- Filing may be monthly, quarterly or annual
- Filing is ***in addition to*** any state or local reporting
- Paper or Electronic Filing



Top of the Form

TTB P 5120.17 COLOR CODED SAMPLE REPORT OF WINE PREMISES OPERATIONS

OMB No. 1513-0053

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
REPORT OF WINE PREMISES OPERATIONS

PERIOD COVERED (Year Only, or Year & Month, or Year & Quarter)

YEAR (Year) 2010 MONTH (Month) FEB

QUARTERLY: January to March July to September
 April to June October to December

OPERATED BY (Name, Address, and Telephone)

Owner Name
DBA or Operating Name (if any)
Premises Address

Telephone Number: (111) 111-1234

VERSION (Select Original or Amended. Select Final also if last report for the business)

Original Amended Final Report

EIN

99-9999999

REGISTRY NUMBER

BWC-OH-0000 or BWN-OH-0000

INSTRUCTIONS



Part IV – Materials Received and Used

Cider and perry product records both start here

PART IV - SUMMARY OF MATERIALS RECEIVED AND USED									
ITEM	GRAPE MATERIAL				MATERIALS OTHER THAN GRAPE <i>(Pounds or Gallons)</i>			SUGAR	
	GRAPES		JUICE <i>(Gallons)</i>	CONCENTRATE <i>(Gallons)</i>	 <i>(e)</i>	 <i>(f)</i>		DRY <i>(Pounds)</i>	LIQUID <i>(Gallons)</i>
	UNCRUSHED <i>(Pounds)</i>	FIELD CRUSHED <i>(Gallons)</i>							
	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>		<i>(g)</i>			
1	ON HAND BEGINNING OF PERIOD								
2	RECEIVED								
3	JUICE OR CONCENTRATE PRODUCED								
4	TOTAL								
5	USED IN WINE PRODUCTION								
6	USED IN JUICE OR CONCENTRATE PRODUCTION								
7	USED IN ALLIED PRODUCTS								
8	REMOVED								
9	ON HAND END OF PERIOD								
10	TOTAL								

Record in pounds or gallons. Move from line 5 to front of report as “produced” upon removal from FIRST fermenter or completion of first fermentation



Part I, Section A - Bulk Wine

PART I - SUMMARY OF WINES IN BOND (GALLONS)						
ITEM	ALCOHOL CONTENT BY VOLUME			ARTIFICIALLY CARBONATED WINE (d)	SPARKLING WINE (e)	HARD CIDER (f)
	NOT OVER 14 PERCENT (a)	OVER 14 TO 21 PERCENT (INCLUSIVE) (b)	OVER 21 TO 24 PERCENT (INCLUSIVE) (c)			
SECTION A - BULK WINES						
1. ON HAND BEGINNING OF PERIOD	Same as the Ending On Hand, Previous Period					
2. PRODUCED BY FERMENTATION					BF BP	
3. PRODUCED BY SWEETENING						
4. PRODUCED BY ADDITION OF WINE SPIRITS						
5. PRODUCED BY BLENDING						
6. PRODUCED BY AMELIORATION	Additions to the Bulk Inventory					
7. RECEIVED IN BOND						
8. BOTTLED WINE DUMPED TO BULK						
9. INVENTORY GAIN						
10.						
11.						
12. TOTAL						
13. BOTTLED					BF BP	
14. REMOVED TAXPAID						
15. TRANSFERS IN BOND						
16. REMOVED FOR DISTILLING MATERIAL						
17. REMOVED TO VINEGAR PLANT						
18. USED FOR SWEETENING						
19. USED FOR ADDITION OF WINE SPIRITS						
20. USED FOR BLENDING						
21. USED FOR AMELIORATION	Removals from the Bulk Inventory					
22. USED FOR EFFERVESCENT WINE						
23. USED FOR TESTING						
24.						
25.						
26.						
27.						
28.						
29. LOSSES (OTHER THAN INVENTORY)						
30. INVENTORY LOSSES						
31. ON HAND END OF PERIOD	Carried over to the next report, Section A Line 1					
32. TOTAL						



Part I, Section B - Bottled Wine

SECTION B - BOTTLED WINE						
1.	ON HAND BEGINNING OF PERIOD	Same as the Ending On Hand, Previous Period				
2.	BOTTLED					BF
						BP
3.	RECEIVED IN BOND	Additions to the Bottled Inventory				
4.	TAXPAID WINE RETURNED TO BOND					
5.						
6.						
7.	TOTAL					
8.	REMOVED TAXPAID					
9.	TRANSFERRED IN BOND					
10.	DUMPED TO BULK					
11.	USED FOR TASTING					
12.	REMOVED FOR EXPORT					
13.	REMOVED FOR FAMILY USE	Removals from the Bottled Inventory				
14.	USED FOR TESTING					
15.						
16.						
17.						
18.	BREAKAGE					
19.	INVENTORY SHORTAGE					
20.	ON HAND END OF PERIOD	Carried over to the next report, Section B Line 1				
21.	TOTAL					

TTB F 5120.17 (4/2004)



Part X – Remarks and Signature

PART X - REMARKS

Under penalties of perjury, I declare that I have examined this report, including the documents submitted in support thereof, and to the best of my knowledge and belief, it is true, correct, and complete.

PROPRIETOR (As shown on your qualification documents)

BY (Signature and Title)

DATE

Owner/Operating Name of the Wine Premises

(Signer must have Signature Authority on file with TTB)

00/00/0000

[#] State kind - apple, blackberry, etc.

[%] Distilling material includes lees, filter wash, and other residues used for production of wine spirits. See 27 CFR 24.20C.



Annual and Quarterly Reports

In order to file an Annual Operational Report:

- Must have no more than 20,000 gallons on hand in any one month AND
- Must be filing an annual tax return
- Note intent in “remarks” section of report or letter notice
- Due following January 15

In order to file Quarterly Operational Reports:

- Must have no more than 60,000 gallons on hand in any one quarter AND
- Must be filing quarterly tax returns
- Note intent in “remarks” section of report or letter notice
- Due 15 days after the end of the quarter



Monthly Report Filing

- Everyone else will file the report (TTB F 5120.17) monthly
- Due 15 days after the end of the month
- If you anticipate you will have no reportable operations (production, receipt or transfer in bond, bottling, change of tax class, etc.) indicate that in the remarks section, resume filing later



Compliance Concerns – Reports

- Report (TTB F 5120.17) not timely filed
- Entries on report do not balance
- Negative entries
- Annual inventory is not taken or reported
- Bottled shortages not taxpaid
- Claims are not filed for excessive bulk inventory shortages

Bonding and Tax Return Filing





Bond Form 5120.36 (IRC)

- Required from all wineries/cider plants
- Ensures taxes owed will be collected, dollar amount of bond based on tax liability
- Protects U.S. government's interest in excise tax - not yours



Types of Bond Coverage

- **Operations Coverage** – sufficient for tax liability on cider or perry products on hand (and in transit to) the premises
- **Deferral Coverage** – sufficient to cover tax on products removed from bond, not yet paid
 - Longer deferral period = larger deferral bond liability, need more coverage



Taxable Removals

- Federal tax “attaches” when cider is produced
- Tax is determined when cider is removed from bonded premises for consumption or sale
- Tax is paid at a later date (deferred)
- Tax rate is based on alcohol content or production method



Excise Tax Return Periods

- **Semi-monthly**
 - 1st to 15th of the month
 - 16th to end of the month
 - September has three tax periods
- **Quarterly**
 - tax period = 3 calendar months
- **Annual**
 - tax period = calendar year

27 CFR 24.271



Excise Tax Due Dates

- **Semi-monthly**
 - 14 days after close of tax period
- **Quarterly return**
 - 14 days after close of quarter
- **Annual return**
 - 30 days after close of year
- Saturday, Sunday, Holiday rule

**You don't have to file a return
if no taxes are due!**



Quarterly Tax Payments

You are eligible to make quarterly payments if:

- You expect to owe not more than \$50,000 current year,
 - Your taxes totaled not more than \$50,000 last year, and
 - Deferral bond coverage is sufficient to cover one quarter's tax liability
- Due 14 days after close of quarter
 - Removals are listed on TTB Form 5120.17 as they occur



Exceeding Quarterly Return Limits

If you exceed the quarterly return limits:

- Must pay taxes on semi-monthly filing schedule
- You are not eligible to file quarterly the next year



Annual Tax Payments

You are eligible to file one tax return per year if:

- Your taxes totaled less than \$1,000 last year (or, if you are a new business, you expect to owe less than \$1,000 current year), and
- Deferral bond coverage is sufficient to cover 1 year's tax liability
- No additional deferral coverage is given
- Due 30 days after close of calendar year
- Removals are listed on TTB F 5120.17, Report of Operations, as they occur



Exceeding Annual Return Limits

If you exceed the annual return limits:

- Must pay taxes on quarterly or semi-monthly filing schedule
- You are not eligible to file annually the next year

How to Complete the Return

TTB Form 5000.24





Completion of the Return

- Paper or electronic
- Serially numbered
- Filed semi-monthly, quarterly, annually
- Make sure the signer has signature authority





TTB Smart Form: Excise Tax Return

SERIAL NO.

Ver. 2.0

OMB No. 1513-0083 (03/31/2016)

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
EXCISE TAX RETURN
(Prepare in duplicate - See instructions below)

1. SERIAL NUMBER **REQUIRED!**
PP-YYYY-# PREPAYMENT
YYYY-# PERIOD

2. FORM OF PAYMENT
 CHECK MONEY ORDER EFT OTHER (Specify) _____

3. AMOUNT OF PAYMENT
\$ _____

4. RETURN COVERS (Check one) BEGINNING _____
 PREPAYMENT PERIOD ENDING _____

5. DATE PRODUCTS TO BE REMOVED (For Prepayment Returns Only)

6. EMPLOYER IDENTIFICATION NUMBER 7. PLANT, REGISTRY, OR PERMIT NUMBER

REQUIRED! #7
2-letter prefix determines which tax items are fillable:
DS = Distilled Spirits
GW = Wine
BR = Beer
TP = Tobacco
EW = Export Warehouses
PT = Papers & Tubes

8. **REQUIRED! #6**
00-0000000 OR XX-0000000 AXPAYER (Include ZIP Code)

SE ONLY

DATE EXAMINED: _____

CALCULATION OF TAX DUE (Before making entries on lines 18 - 21, complete Schedules A and B)

PRODUCT (a)	AMOUNT OF TAX (b)
9. DISTILLED SPIRITS	\$ _____
10. WINE	_____
11. BEER	_____
12. CIGARS	_____
13. CIGARETTES	_____
14. CIGARETTE PAPERS AND/OR CIGARETTE TUBES	_____
15. CHEWING TOBACCO AND/OR SNUFF	_____
16. PIPE TOBACCO AND/OR ROLL-YOUR-OWN TOBACCO	_____
17. TOTAL TAX LIABILITY (Total of lines 9-16)	\$ _____

EMPLOYER ID NO.

REGISTRY & PERMIT NOS.



TTB Smart Form

17. TOTAL TAX LIABILITY (Total of lines 9-16)	\$		
18. ADJUSTMENTS INCREASING AMOUNT DUE (From line 29)			
19. GROSS AMOUNT DUE (Line 17 plus line 18)	\$		
20. ADJUSTMENTS DECREASING AMOUNT DUE (From line 34)			
21. AMOUNT TO BE PAID WITH THIS RETURN (Line 19 minus line 20)	\$		

REQUIRED! #22 MM/DD/YYYY **REQUIRED! #24**

Under penalties of perjury, I declare that I have examined this return (including any accompanying explanations, statements, schedules, and forms) and that of my knowledge and belief it is true, correct, and includes all transactions and tax liabilities required by law to be reported.

22. DATE	23. SIGNATURE	24. TITLE
----------	---------------	-----------

SCHEDULE A – ADJUSTMENTS INCREASING AMOUNT DUE

EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS		
	(b) TAX	(c) INTEREST	(d) PENALTY
25.	\$		\$
26.			
27.			
28. SUBTOTALS OF COLUMNS (b), (c), and (d)	\$	\$	\$
29. TOTAL ADJUSTMENTS INCREASING AMOUNT DUE (Line 28, Col (b) + (c) + (d)) Enter here and on line 18.			\$

SCHEDULE B – ADJUSTMENTS DECREASING AMOUNT DUE

EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS		
	(b) TAX	(c) INTEREST	
30.	\$	\$	
31.			
32.			
33. SUBTOTALS OF COLUMNS (b) and (c)	\$	\$	
34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE (Line 33, Col (b) + (c)) Enter here and on line 20.			\$

Notice to Customers Making Payment by Check
 If you send us a check, it will be converted into an electronic funds transfer (EFT). This means we will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will usually occur within 24 hours, and will be shown on your regular account statement.
 You will not receive your original check back. We will destroy your original check, but we will keep the copy of it. If the EFT cannot be processed for technical reasons, you authorize us to process the copy in place of your original check. If the EFT cannot be completed because of insufficient funds, we may try to make the transfer up to 2 times.

TTB F 5000.24sm (06/2013)

35. ADDITIONAL REMARKS (Reference by item number and use a separate sheet if necessary)

SIGNATURE

TITLE



Increasing/Decreasing Adjustments

SCHEDULE A – ADJUSTMENTS INCREASING AMOUNT DUE

EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS		
	(b) TAX	(c) INTEREST	(d) PENALTY
25. Omitted 10 wq Sparkling from TR 2015-12	\$ 34.00		\$
26.			
27.			
28. SUBTOTALS OF COLUMNS (b), (c), and (d)	\$ 34.00	\$	\$
29. TOTAL ADJUSTMENTS INCREASING AMOUNT DUE <i>(Line 28, Col (b) + (c) + (d))</i> Enter here and on line 18.		\$	\$ 34.00

SCHEDULE B – ADJUSTMENTS DECREASING AMOUNT DUE

EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS	
	(b) TAX	(c) INTEREST
30. Approved claim # 78865, 100 wq @ 17 cents per	\$ 17.00	\$
31.		
32.		
33. SUBTOTALS OF COLUMNS (b) and (c)	\$ 17.00	\$ 0
34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE <i>(Line 33, Col (b) + (c))</i> Enter here and on line 20.		\$ 17.00

Notice to Customers Making Payment by Check



Electronic Filing

Pay.gov is a Federal government portal for electronic filing of:

- Federal Excise **Tax Return**, TTB F 5000.24
- **Report** of Wine Premises Operations, TTB F 5120.17
- Must register in advance





Pay.gov

- Why use it?
 - Free and fast submission of tax returns, tax payments and operations reports
 - Quickly confirms receipt
 - Automatically totals and checks data entries to promote accuracy; you get feedback on any errors
 - Allows you to amend reports by copying and modifying the previously submitted report.



Register on TTB.gov



TTB and Pay.gov Customer Support



Click the [logo](#) to begin using Pay.gov.

Welcome to our page for assisting you in using Pay.gov to process and file electronic payments/returns for federal excise taxes and operational reports.

The benefits to using Pay.gov are:

- A safe and secure system
- Provides immediate feedback when errors are made and provides instruction on how to correct them
- Easy to amend forms and tax returns
- Save and continue your work
- Access available 24/7 (Except for scheduled weekly system maintenance on Sundays from 2 - 6 a.m.)

Taxes and Small Domestic Wine Producer Credit





Recap

Two Broad Cider Terms:

- Wine that is eligible for the “hard cider” tax rate
- Other cider or perry products, which may be categorized as “fruit wine”





Under the IRC

(27 CFR 24)

Cider is a fruit or apple wine if it:

- Is produced by the fermentation of the juice of fruit
- Contains between 0.5% and 24% alcohol by volume
- Meets other requirements of 27 CFR part 24



Hard Cider –A TAX Term

- Still wine derived primarily from apples or apple concentrate and water, containing no other fruit product nor any artificial product which imparts a fruit flavor other than apple
- “Still” means not more than .392 grams of CO₂ per 100 ml



Hard Cider –A TAX Term

- Apple juice or reconstituted apple concentrate must represent more than 50% of the volume of the finished product
- Must contain at least .05% and less than 7% alcohol by volume
- Has the taste, aroma, and characteristics generally attributed to hard cider
- Sold or offered for sale as hard cider



Tax on Cider

26 U.S.C. 5041 (b)

Different tax brackets that cider products could fall under:

- Still wine 14% and under: \$ 1.07 per gallon
- Still wine over 14 - 21%: \$ 1.57 per gallon
- Still wine over 21 - 24%: \$ 3.15 per gallon
- Artificially carbonated wine: \$ 3.30 per gallon
- Sparkling wine: \$ 3.40 per gallon
- Hard Cider: 22.6 ¢ per gallon

***This is before small producer tax credit*



Section A - Report

Headings are Tax Classes

PART I - SUMMARY OF WINES IN BOND (GALLONS)						
ITEM	ALCOHOL CONTENT BY VOLUME			ARTIFICIALLY CARBONATED WINE (d)	SPARKLING WINE (e)	HARD CIDER (f)
	NOT OVER 14 PERCENT (a)	OVER 14 TO 21 PERCENT (Inclusive) (b)	OVER 21 TO 24 PERCENT (Inclusive) (c)			
SECTION A - BULK WINES						



Small Domestic Producers Credit 26 U.S.C. 5041(c)(1)

- Domestic bonded wineries/cideries that produce not more than 250,000 gallons per calendar year are eligible for the credit
- Credit is up to 90 cents* per gallon on first 100,000 gallons removed per calendar year
- Credit for “hard cider” is up to 5.6 cents* instead of 90 cents
- Sparkling wine or cider is not eligible for the credit

*If production is more than 150,000 and not more than 250,000 during the calendar year, the credit is reduced by 1% for every 1,000 gallons produced in excess of 150,000



Small Domestic Wine Producer Credit

To be eligible to take the credit on your own behalf you must be:

- Small — Not more than 250,000 gallons produced in a *calendar* year
- Domestic — U.S.-produced wine/cider only
- Producer — You must have produced wine during the *calendar* year

26 U.S.C. 5041(c);
27 CFR 24.278 - 279



Excise Tax Rates per Gallon & Small Producer Eligibility

26 U.S.C. 5041 (WINE)		
Tax Class	Before credit	After full credit
Not over 14% *	\$1.07	➔ \$0.17
Over 14 to 21% *	\$1.57	➔ \$0.67
Over 21 to 24% *	\$3.15	➔ \$2.25
Artificially carbonated *	\$3.30	➔ \$2.40
Sparkling	\$3.40	➔ \$3.40
Hard cider *	\$0.226 (22.6¢)	➔ \$0.17 (17¢)

* Small producer credit may be available on removals of these ciders. The credit is up to 90¢ on all classes except hard cider, which is up to 5.6¢.



Taking the Credit

SCHEDULE B – ADJUSTMENTS DECREASING AMOUNT DUE		
EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS	
	(b) TAX	(c) INTEREST
30. 200 gallons not over 14% @ 90 cent/gallon credit	\$ 180.00	\$
31. 100 gallons HC @ 5.6 cents/gallon credit	5.60	
32.		
33. SUBTOTALS OF COLUMNS (b) and (c)	\$ 185.60	\$ 0
34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE (Line 33, Col (b) + (c)) Enter here and on line 20.		\$ 185.60

Notice to Customers Making Payment by Check



Credit During First Year

- A new cidery is not entitled to take the credit on removals until production is performed
- A claim may be filed for overpayment of tax after cider is produced
- Credit may be used from that point on, if eligible level of production is expected
- For alternating proprietors, each eligible proprietor may take the credit



May I Take the Credit on Cider I Receive in Bond?

- **Yes, but in order to take the credit on cider received in bond on your own behalf, you must:**
 - *Be an eligible small producer*
 - *Produce some cider or wine that calendar year*
 - *Make the taxable removal from your own premises*
- Cider received may be blended with your production or removed separately
- Cider may be received in bulk or bottled



May Credit be Transferred with Transfers In Bond of Cider?

Yes, if:

- Cider produced by the sender would be eligible for credit if removed from his own premises,
- Cider must be produced by the sending cidery,
- Producer must hold title to the cider at removal, and
- Transferee (the taxpayer) is provided information to permit proper use of the credit

You cannot transfer credit on cider that you did not produce!

26 U.S.C. 5041(c)(6)



What Information is Necessary?

- Names of producer and transferee (receiver), quantity, tax class, date to be removed
- Statement that the producer holds title, is eligible, and at what credit rate
- Statement that the removal will be within the first 100,000 gallons removed by or on behalf of the producer
- If the cider is a blend, the percentage eligible for the credit



Taking the Credit – Transferred Credit

29. TOTAL ADJUSTMENTS INCREASING AMOUNT DUE (Line 28, Col (b) + (c) + (d)) Enter here and on line 18. \$

SCHEDULE B – ADJUSTMENTS DECREASING AMOUNT DUE		
EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS	
	(b) TAX	(c) INTEREST
30. Roberta Cellars 100 wq <14 % @ 90 cnts credit per	\$ 90.00	\$
31. Kim Cidery, 200 wq HC @ 5.6 cents credit per	11.20	
32. Martha Vnyd, 100 wq <14% @ 62 cents credit per	62.00	
33. SUBTOTALS OF COLUMNS (b) and (c)	\$ 163.20	\$
34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE (Line 33, Col (b) + (c)) Enter here and on line 20.		\$ 163.20

Notice to Customers Making Payment by Check



Importation

- 27 CFR Part 27, Importation of Distilled Spirits, Wines and Beer, contains TTB requirements for importing cider
- Bottled imported cider is subject to the full Internal Revenue tax collected by U.S. Customs and Border Patrol (CBP)
- Bulk natural wine (more than 60L) can be imported in bond but is NOT eligible for credit
- Importers need an FAA Act Importer's Basic Permit



Compliance Concerns

Small Wine Producer Credit

- No actual production
- Use of credit by ineligible companies
- Use of credit beyond the 100,000 gallon annual limit
- Wrong amount of credit used
- Credit transferred incorrectly



Summary

Reports of Wine Premises Operations:

- Cidery proprietors are required to report activities that take place on the bonded premises
- This includes reporting the materials brought onto the wine premises, and reporting what happens from there regarding the quantity produced, transferred in bond, bottled, and removed



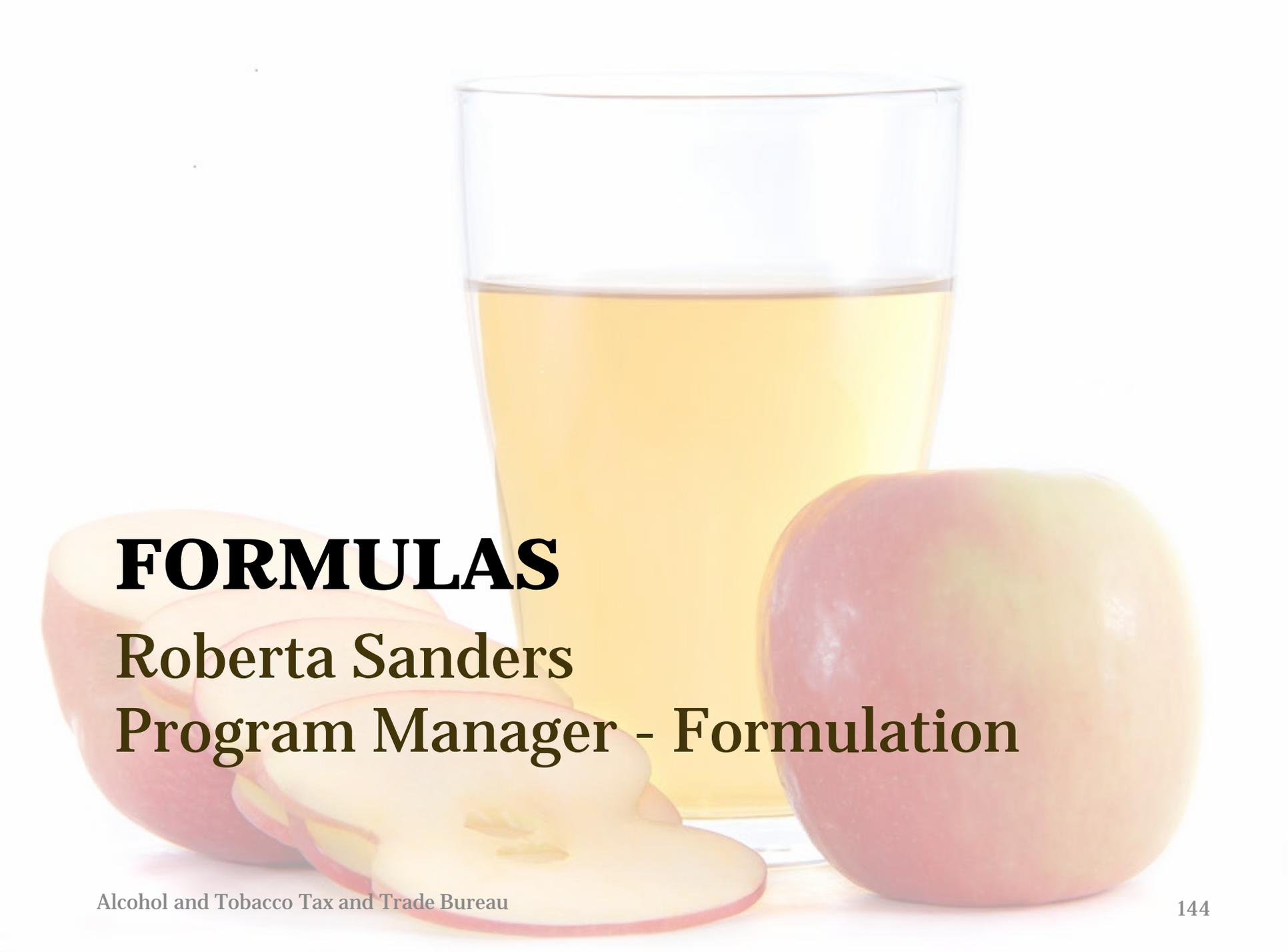
Summary

Excise Taxes and Returns:

- Tax rates, filing requirements
- Small domestic wine producer credit
- Records for taxpaid and untaxpaid removals



Questions?

A glass of beer and sliced apples. The glass is filled with a golden beer, and there are several slices of red apple in the foreground. The background is white.

FORMULAS

Roberta Sanders

Program Manager - Formulation

When is Formula Approval Required?





Do all Cider/Perry Products Require Formula Approval?

- Formula approval is NOT required if you are producing “natural” apple or pear wine (cider/perry) or any other “natural” fruit wine, even if the wine is fermented from the juice of different fruits, such as fermenting apple juice and blueberry juice together
- A “natural wine” under the IRC is the product of the juice or must of sound, ripe fruit made with any authorized cellar treatments authorized by Subparts F and L of 27 CFR part 24 and containing not more than 21 percent by weight of total solids [27 CFR 24.10](#)



When is a Formula Required for a Cider or Perry Product?

- TTB regulations require formulas for “special natural wine” and “other than standard wines” [27 CFR 24.80 – 24.82](#)
- What are the most common types of cider or perry products that require a formula?
 - Wine produced by blending two finished fruit wines produced from different kinds of fruit (e.g., cider blended with blueberry wine)
 - Cider or perry products made with materials not authorized for use in natural wine (e.g., added color, flavors, or spices)
 - Cider or perry products made with excess sugar or water or other cellar treatments not authorized for “natural wine”



What about Wine Eligible for the “Hard Cider” Tax Rate?

It depends . . .

A formula is required if:

- Any spices or flavorings (such as ginger or honey) are used (See “hard cider” definition for restrictions on fruit flavorings)
- Excess sugar or water are used



What if I Only Make Products that are Under 7%?

- While TTB's FAA Act regulations in 27 CFR part 4 do not apply to wine that contains less than 7 percent alcohol by volume, the IRC labeling and formula requirements in 27 CFR part 24 apply to *all* wines that are removed from wine premises

Remember that even if you don't need TTB label approval, you may still need formula approval!



How Do I Apply for Formula Approval?

- Electronic filing through [Formulas Online](#)
- Paper form
 - [TTB F 5100.51 - Formula and Process for Domestic and Imported Alcohol Beverages – “Uniform”](#)
 - [TTB F 5120.29 - Formula and Process for Wine](#)





Formula Form (“Uniform”)

TTB Form 5100.51
(Basis of Formulas Online)

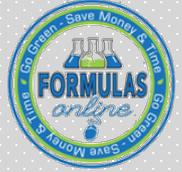
FOR TTB USE ONLY		DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) FORMULA AND PROCESS FOR DOMESTIC AND IMPORTED ALCOHOL BEVERAGES <small>(See Instructions and Conditions on Reverse)</small>		FORMULA #
1. NAME AND ADDRESS OF APPLICANT / IMPORTER <small>(See instructions)</small>		2. CONTACT PERSON'S PHONE NUMBER / EMAIL		<input type="checkbox"/> SUPERSEDING <input type="checkbox"/> FORMULA
1a. MAILING ADDRESS (if different than above) / FOREIGN PRODUCERS ADDRESS		3. PLANT REGISTRY / BASIC PERMIT / BREWER'S NUMBER		
		4. CLASS AND TYPE OF PRODUCT		
		5. PRODUCT NAME		
6. QUANTITATIVE LIST OF INGREDIENTS (if more space is needed, use reverse or separate sheet)		7. METHOD OF MANUFACTURE / PROCESS OF PRODUCTION (if more space is needed, use reverse or separate sheet)		
8. TOTAL YIELD:		9. ALCOHOL CONTENT OF FINISHED PRODUCT (range may be given)		
9a. AMOUNT OF ALCOHOL FROM FLAVORS		9b. AMOUNT OF ALCOHOL FROM BASE		
10. PRINTED NAME OF APPLICANT / IMPORTER	11. BY (Signature and Title)		12. DATE	
FOR TTB USE ONLY (Items 13, 14, 15, and 16)				
13. FORMULATION		LABELING (finished product only)		
WINE PRODUCTS <input type="checkbox"/> Approved subject to the provisions of 27 CFR DISTILLED SPIRITS PRODUCTS <input type="checkbox"/> Harmless coloring, flavoring or blending materials must not total more than 2.5% by volume of the finished product. <input type="checkbox"/> Sugar, dextrose, or levulose or a combination thereof must be used in an amount not less than 2.5% by weight of the alcohol. <input type="checkbox"/> The use of refining agents must not alter the basic composition of the spirits. <input type="checkbox"/> The blended whiskey must contain not less than 20% straight whiskey on a proof gallon basis.		<input type="checkbox"/> The designation of the product must include a truthful and adequate statement of composition such as: _____ _____ <input type="checkbox"/> commodity statement <input type="checkbox"/> The label must indicate the use of: <input type="checkbox"/> caramel color <input type="checkbox"/> certified color (other than FD&C Yellow #5) <input type="checkbox"/> artificial flavor <input type="checkbox"/> FD&C Yellow #5 <input type="checkbox"/> allergen(s)		
14. DATE	15. APPROVED - TTB SPECIALIST FOR THE ADMINISTRATOR, ALCOHOL AND TOBACCO TAX AND TRADE BUREAU		16. EXPIRES (IMPORT ONLY)	

Formulas Online





What is Formulas Online?



- TTB's efficient, and secure method for drafting, submitting, and tracking your formula applications electronically
- Benefits:
 - Step-by-step guidance included in the system
 - A single user ID to access Formulas and COLAs Online
 - A more accurate application, thanks to data validation checks along the way
 - Up-to-the-minute application status updates via email
 - Save money and time—bypass postal/courier service



Formulas Online

Submitter Tips



- Before submitting a formula in Formulas Online you should:
 - Ensure that the product that you have identified to produce requires a pre-COLA product evaluation (See 27 CFR part 24 and Industry Circular 2007-4)
 - Ensure that you are registered to use Formulas Online
 - Ensure that your pop up blockers are turned off on your browser



TTBOnline.gov



<https://www.ttbonline.gov/>

TTBONLINE.GOV
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
U.S. DEPARTMENT OF THE TREASURY



REGISTER

HOW TO REGISTER

PUBLIC COLA
REGISTRY

FAQ

CONTACT US

Already registered? Log in:

User Name: [Expired password ?](#)

Password: [New or forgotten password ?](#)

Logon to:

Notice

11/19/15: Formulas Online has been updated. This new release includes some major changes to **"My Submissions"** for industry members. Now, by default, you will see ALL your submissions on your Formulas Online home page, no matter their status (In Process, Draft, Cancelled, Withdrawn, or Closed). In addition, view the Approval/Reject Date for your formula submissions that have been approved or rejected by TTB. We are also piloting a "printable version" of approved beverage formulas where your formula will appear on TTB F 5100.51. Take a look at some of the additional highlights: [What's New in Formulas Online 2.0 \(Industry Members\) \[PDF\]](#) or [\[MP4\]](#)

9/2/15: A new password change process for COLAs Online and Formulas Online is available. For more information, please see the [Password Change Quick Reference Guide](#).

It is possible that you may have a pop-up blocker running as part of your web browser settings. You must turn off the pop-up blocker in order for Formulas Online to operate properly. Please see [How to Allow Pop-Ups in Internet Explorer 11](#) for more information.

Check the most recent processing times for [label applications](#) or [beverage formula applications](#).

You may also login at any time to check the status of individual [label applications](#) and/or [formula applications](#).

PRIVACY POLICY

PRIVACY IMPACT ASSESSMENT



Turn Off Pop-up Blocker



TTB Online - Welcome to TTB Online - Windows Internet Explorer

https://www.ttbonline.gov/formulasonline/TTBOnlinePortal.jsp

TTBweb Intranet Home Pa... TTBweb Intranet Home Pa... TTB Online - Welcome ... x

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
U.S. Department of the Treasury

Welcome to TTB Online

Publicly available services:

- To view publicly available information about COLAs (both those filed via paper form and online), you may visit the [Public COLA Registry](#).
- View the TTB Online [Frequently Asked Questions \(FAQ\)](#) page on the TTB Internet site.

Services requiring registration and logon:

User Name:

Password: [New or forgotten password ?](#)

Logon to:

[Register for TTB Online. Need help on how to register ?](#)

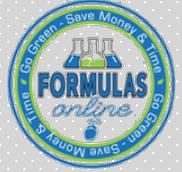
[Need Help Logging On and Using TTB Online ?](#)

TTB Online: Registration





Registration



New Users

- Access [TTBOnline.gov Portal](http://TTBOnline.gov)
- Select the 'Register' link
- Complete Personal/Business information (Main tab)
- Create Authentication Questions (Main tab)
- Complete Company Detail tab
- Upload required documents
 - Signing Authority Form ([TTB F 5100.1](#))
 - Power of Attorney ([TTB F 5000.8](#))
- Submit
 - Perjury Statement Agreement



Registration



Existing COLAs Online Users

- Log into COLAs Online through TTBOonline.gov Portal
- User Profile
- Modify User Registration
- Add Formulas Online
- Complete Company Detail Tab
- Upload required documents
 - Signing Authority Form ([TTB F 5100.1](#))
 - Power of Attorney ([TTB F 5000.8](#))
- Submit
 - Perjury Statement Agreement
 - Once registered, the same password can be used for COLAs Online and Formulas Online

allow 1 week for verification and registration to be completed



New User Registration (Main Tab)



User Registration

Main Company Comments Docs/Links

Print | Comment | Upload | PCA Form | SA Form

Type of Application

New Application You've never had an online account with TTB
 Reactivate an Inactive Account In the past, you had an online account with TTB that has been inactivated

Personal Information

* First Name: M. I.: * Last Name: Suffix:

* Employer: * Title: Label Rep. ID:

* Phone Number: Fax Number:

Address Format:

* Street:

* City:

* State:

* Zip: -

Business E-mail Addresses

Up to three e-mail addresses may be provided. COLAs Online and Formulas Online will correspond with the Primary e-mail address.

SET AS PRIMARY	E-MAIL ADDRESS
<input type="radio"/>	<input type="text"/>

Authentication Questions

Select three questions and provide answers. These answers will enable you to create your initial password, and will be used for authentication should you ever forget your password.

QUESTION	ANSWER
<input type="text"/>	<input type="text"/>



New User Registration (Company Tab)



Company

System Information

* System Requested: COLAs Online Formulas Online
* System Access: Submitter Preparer / Reviewer
* Company Type: Alcohol Beverage Nonbeverage Product

Company Information

* Registry, Permit, or Brewer's Notice: (Provide the Registry Number from your Basic Permit)

Date of Permit Issue: (Format: MM/DD/YYYY)

Company Code: (if known)

* Company Name:

Address Format: USPS Domestic

* Street:

* City:

* State:

* Zip Code:

Individual Information

* Relationship of Applicant to Company: Employee Representative
* Signature Authorization: Owner Signing Authority Power of Attorney

Approver Information

Title of Company Approval Official:

Name of Company Approval Official:

OK Cancel



Perjury Statement

Perjury Statement

Under the penalties of perjury, I declare that all the statements appearing on this application, including supplemental documents, are true and correct to the best of my knowledge and belief. I also certify that I have read, understood, and complied with the conditions and instructions for filing this application.

I agree

OK

Cancel

We collect this information to verify your compliance with Federal laws and regulations that TTB administers. The information collected on this form must be considered confidential tax information under 26 U.S.C. 6103, and must not be disclosed to any unauthorized party under 26 U.S.C. 7213.



User Registration Confirmation



User Registration ?

Thank You. Your application has been successfully submitted. Please check ttb.gov for the current processing times for COLAs/FONL registrations. You will be contacted by e-mail when a determination has been reached or if additional information is needed.

When referring to this application, please use the following submission ID: 1368237. You should keep a record of this submission ID for tracking purposes.

Formulas Online: Basics of Formula Submittal





Formulas Online

Main Tab



Uniform ?

Main | Formula | Samples | Company | Comments | Docs/Links

[Print](#) | [Comment](#) | [Upload](#)

* Create New Formula Supersede Existing Formula ?

TTB Formula ID:

Company ID:

Company Name:

* Company Formula #:

1234

* Commodity:

Distilled Spirits ▼

* Product Source:

Domestic ▼

Product Name:

* Class/Type: ?

Type Description:

250 characters left



Formulas Online Company Tab



Create New or Superseding Formula

* fields are required

* Product Source: Domestic ▼

* Permit Number: ▼

Permit Holder Address:

Name:
Street:
City:
State:
Zip:

Submitter Mailing Address:

Address Format: USPS Domestic ▼

* Street: 1325 G St NW

* City: Washington

* State: DC ▼

* Zip: 20005 -

* Action: Create New Formula Supersede Existing Formula

Continue Cancel



Formulas Online

Formula Tab



 **TTB** | ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
U.S. Department of the Treasury

[COLAS](#) [Home](#) [Text Menu](#) [My Pro](#)

[New](#) [View](#) [Modify Registration](#) [Submissions](#)

Formula and Process for Alcohol Beverages ?

[Main](#) [Formula](#) [Samples](#) [Company](#) [Comments](#) [Docs/Links](#)

[Print](#) | [Comment](#) | [Upload](#)

Paper Submission

Summary ?

* Measurement Type: Percentage Volume/Weight

* Measurement Units: English Metric

* Total Yield:

	LOW	HIGH	UNIT
Alcohol Content of Finished Product:	* <input type="text"/>	<input type="text"/>	* % by Volume <input type="text"/>



Formulas Online

Formula Tab - Ingredients



Ingredients

FERMENTABLE INGREDIENTS ?

-----QUANTITY-----				
NAME	GROUP	LOW	HIGH	UNIT
<input type="button" value="Group"/> <input type="button" value="Ungroup"/> <input type="button" value="Add"/>				

FINISHED ALCOHOL ?

-----QUANTITY-----					ALCOHOL BY VOLUME		TTB	
NAME	GROUP	LOW	HIGH	UNIT	LOW	HIGH	FORMULA ID	COMMODITY
<input type="button" value="Group"/> <input type="button" value="Ungroup"/> <input type="button" value="Add"/>								

FLAVORS ?

-----QUANTITY-----							COMPANY	TTB
NAME	GROUP	LOW	HIGH	UNIT	TYPE	COMPND?	FORMULA #	FORMULA ID
<input type="button" value="Group"/> <input type="button" value="Ungroup"/> <input type="button" value="Add"/>								

OTHER INGREDIENTS ?

-----QUANTITY-----						
NAME	GROUP	LOW	HIGH	UNIT	TYPE	DESCRIPTION
<input type="button" value="Group"/> <input type="button" value="Ungroup"/> <input type="button" value="Add"/>						



Formulas Online

Formula Tab - Ingredients



Ingredient

Other Ingredient Information

* Ingredient Name:

* Quantity: -

* Unit of Measure:

* Type:

Type Description:

250 characters left

Group Name:

Group Description:

Ingredient Documents

TYPE	NAME	DATE
------	------	------

Add

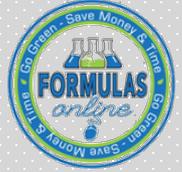
OK

Cancel



Formulas Online

Formula Tab - Ingredients



Ingredient

Fermentable Ingredient Information

* Name:

* Quantity: -

* Unit of Measure:

Group Name:

Group Description:

Ingredient Documents

TYPE	NAME	DATE



Formulas Online

Formula Tab - Ingredients



Ingredient

Finished Alcohol Ingredient Information

TTB Formula ID:	<input type="text"/>	<input type="button" value="Select"/>	<input type="button" value="Clear"/>
Permit Number:	<input type="text"/>		
Company Formula ID:	<input type="text"/>		
Old TTB Formula #:	<input type="text"/>		
Manufacturer Name:	<input type="text"/>		
* Ingredient Name:	<input type="text"/>		
* Quantity:	<input type="text"/>	-	<input type="text"/>
* Unit of Measure:	<input type="text" value="v"/>		
* Alcohol By Volume:	<input type="text"/>	-	<input type="text"/>
Proof at Distillation:	<input type="text"/>	-	<input type="text"/>
* Commodity:	<input type="text" value="v"/>		
* Process Description:	<input type="text"/>		
	4000 characters left		
Group Name:	<input type="text"/>		
Group Description:	<input type="text"/>		

Ingredient Documents

TYPE	NAME	DATE
------	------	------



Formulas Online

Formula Tab - Ingredients



Ingredient

Flavor Ingredient Information

Compound Flavor?

TTB Formula ID:

Company Code:

Company Formula ID:

Flavor Manufacturer Name:

* Flavor Name:

* Quantity: -

* Unit of Measure:

* Type:

Group Name:

Group Description:

Ingredient Documents

TYPE	NAME	DATE



Ingredient Instructions and Examples



- You may view detailed instructions and examples for completing Ingredients information on the Formula tab for a Uniform submission
- Select the “[read more](#)” link in the Ingredients section on the Formula tab to display instructions and examples



Ingredient Examples



Example
✖

Ingredients

FERMENTABLE INGREDIENTS ?

-----QUANTITY-----				
NAME	GROUP	LOW	HIGH	UNIT

FINISHED ALCOHOL ?

-----QUANTITY-----					ALCOHOL BY VOLUME		TTB	
NAME	GROUP	LOW	HIGH	UNIT	LOW	HIGH	FORMULA ID	COMMODITY
Grape wine		50.0	75.0	gal.	7	14		Wine

FLAVORS ?

-----QUANTITY-----							COMPANY	TTB	
NAME	GROUP	LOW	HIGH	UNIT	TYPE	COMPND?	FORMULA #	FORMULA ID	VERIFICATN
<input type="checkbox"/> Green Beans (crushed)		2.0	3.0	c.	Natural	<input type="checkbox"/>	-		
<input type="checkbox"/> Coriander (powdered)		2.0	4.0	c.	Natural	<input type="checkbox"/>	-		

OTHER INGREDIENTS ?

-----QUANTITY-----						
NAME	GROUP	LOW	HIGH	UNIT	TYPE	DESCRIPTION
Vegetable Juice (black carrots/cabbage)	Color	1.0	2.0	gal.	Color	
Potassium Sulfite		0.5	0.75	gal.	Sulfite	



Formulas Online



Formula Tab – Method of Manufacture

Method of Manufacture

Show in sequence each step employed in producing the product including the step at which the specified materials will be added and the approximate period of time to complete production ... [read more](#)

Description:

« Previous

Save as Draft

Validate

Cancel

Submit

Next »



Method of Manufacture Instructions and Examples



- You may view detailed instructions and examples for completing Method of Manufacture information on the Formula tab for a “Uniform” submission
- Select the “[read more](#)” link in the Method of Manufacture section on the Formula tab to display instructions and examples



Method of Manufacture Instructions



* Method of Manufacture ?

Show in sequence each step employed in producing the product including the step at which the specified materials will be added and the approximate period to complete production ... [read more](#)

Description:

Method of Manufacture



Show in sequence each step employed in producing the product including the step at which the specified materials will be added and the approximate period to complete production.

(For Malt Beverages) Describe in detail each special process used to produce a beer product. Omit processes customarily used in brewing such as pasteurization or ordinary filtration.

- Distilled Spirits example**
- Wine example**
- Malt Beverage example**

We collect this information to verify your compliance with Federal laws and regulations. This information will not be disclosed to any unauthorized party under 26 U.S.C. 7213.

FONL 2.0.7

Information provided on this form must be considered confidential.



Method of Manufacture Examples



Example



* Method of Manufacture ?

Description:

We take Grape wine and add it to blending tank. We add flavor ingredients, green beans and coriander. We let stand for 15 hours under constant mixing. We filter wine and add coloring, and sulfite. Product is force carbonated to not less than .392 grams per 100 mL. Product is pasteurized and bottled.



Formulas Online

Docs/Link Tab



Uniform

Main Formula Samples Company Comments **Docs/Links**

[Copy as New](#) | [Print](#) | [Comment](#) | [Upload](#)

Submission ID: 1368221 Date Submitted:
Status: Draft

Submission Documents

TYPE	DESCRIPTION	INVALIDATED FILE	SIZE	DATE
Upload				

Ingredients Documents

<input type="checkbox"/>	INGREDIENT	TYPE	DESCRIPTION	INVALIDATED FILE	SIZE	DATE		
<input type="checkbox"/>	Cherry Brandy	Spec Sheet	Process of Production	<input type="checkbox"/>	Cherry Brandy.pdf	169 Kb	12-18-2015	edit
Delete								

Submission Links

SUBMISSION ID	DESCRIPTION
Add Delete	

Perjury Statement

Under the penalties of perjury, I declare that all the statements appearing on this application, including supplemental documents, are true and correct to the best of my knowledge and belief. I also certify that I have read, understood, and complied with the conditions and instructions for filing this application.

[Save as Draft](#) [Validate](#) [Cancel](#) [Submit](#)



Formulas Online Submission Confirmation



Formula and Process for Alcohol Beverages

Thank You. Your submission has been successfully completed. You will be contacted by e-mail when analysis has been completed.

When referring to this submission, please use the following submission ID: 1001852.

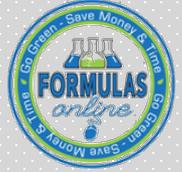
To mail your samples, return to the [Samples](#) screen to display printable sample identification labels with mailing instructions.

By default, all COLAs users who are registered for the company submitting this formula will be able to reference this formula on the [Formula](#) screen. To optionally disable certain COLAs users from referencing this formula, you may open the [Unauthorized Users](#) tab to select the users to be disabled.

We collect this information to verify your compliance with Federal laws and regulations that TTB administers. The information collected on this form must be accurate and must not be disclosed to any unauthorized party under 26 U.S.C. 7213.



Formulas Online



Transmission and Routing of Electronic Applications

- Formulas that do not require sample analysis are routed directly to Formula Specialists
- Formulas that require laboratory analysis are routed to the Beverage Alcohol Laboratory
 - Legal Instrument Examiner
 - Chemist analyzes sample
 - » Formula specialists receives e-app including results of lab analysis
- Once processed, the formula results can be seen by the submitter



Formulas Online

Results Tab



Uniform

Main Formula Samples **Results** Company Comments Docs/Links Unauthorized Users

[Copy as New](#) | [Print](#) | [Comment](#) | [Notify](#) | [Surrender](#)

Submission ID: 1234381 TTB Formula ID: 1180943 Date Submitted:
Status: Closed Disposition: Approved

Determination

Disposition: Approved
Approved Class/Type: WHISKY/CORN WHISKY
Class/Type Description:

Approval Date: 11/13/2015 TTB Specialist: Page
Expiration Date:

Approval Provisions

Product has been approved subject to the following provisions:

General:

Distilled Spirits:

- Harmless coloring, flavoring, or blending materials must not total more than 2.5% by volume of the finished product.
- Sugar, dextrose, or levulose or a combination thereof must be used in an amount not less than 2.5% by weight of the cordial or liqueur.
- The use of refining agents must not alter the basic composition of the spirits.
- The blended whiskey must contain not less than 20% straight whiskey on a proof gallon basis.

Labeling Instructions

- The designation of the product must include a truthful and adequate statement of composition, such as:
- The recommended commodity statement is:



Formulas Online



Printable Version of Approved Formulas

- You may now print a populated TTB F 5100.51 form from a “Uniform” in Formulas Online.
- This allows you to have on hand the official copy of an electronic submission for review and audit purposes

Print

Print Submission ?

Print Range:

- TTB Form 5100.51 (pilot)
- All
- Current Tab
- Formula Summary

OK Cancel



Top 5 Reasons Wine Formulas are Returned for Correction

- “Provide a more detailed method of manufacture”
- “The information you provided within your application is either incomplete or is not correct. Please make the following correction(s) and/or provide additional information for:”



Top 5 Reasons Wine Formulas are Returned for Correction

- “TTB Formula ID or Company Formula # required for the following flavor if it has been approved. If it has not been approved, a Formula and Process for Nonbeverage Product application must be made for the flavor prior to approval of this formula”
- “Total Yield does not match the ingredient quantities provided”
- “This product does not require analysis”



Questions?

A glass of wine, a whole apple, and several apple slices. The glass is filled with a golden liquid, likely wine. The apple is red and yellow, and the slices are arranged in a fan shape in the foreground.

LABELING

Nicole Candelora

Wine Labeling QA Coordinator



Which Labeling Requirements Apply?

- Labeling requirements for cider and perry products are determined first by:
 - Alcohol content
 - If it will be introduced in interstate commerce
- And secondarily by such things as:
 - Origin and level of effervescence
 - Fruits used
 - Addition of flavors, spices, colors, etc.
 - Domestic or imported



Why is Alcohol Content a Factor?

- Labeling of cider/perry products with **0.5 - 24%** alc. by vol. is regulated by TTB under:
 - Internal Revenue Code - [27 CFR part 24](#) & [part 27](#)
- Labeling of cider/perry products with **at least 0.5%** alc. by vol. is regulated by TTB under:
 - Alcoholic Beverage Labeling Act (Government Health Warning Statement) - [27 CFR part 16](#)



Why is Alcohol Content a Factor?

- Labeling of cider/perry products with **7 - 24%** alc. by vol. is regulated by TTB under:
 - Federal Alcohol Administration Act - [27 CFR part 4](#)
- Labeling of cider/perry products with **0.5 – < 7%** alc. by vol. is subject to FDA labeling regulations under:
 - Federal Food, Drug, and Cosmetic Act - [21 CFR part 101](#)



Why Does Interstate Commerce Matter?

The labeling rules (mandatory information and prohibited practices) under the FAA Act (part 4) apply to cider/perry products that:

- Are 7 to 24% alc. by vol.

AND

- Will be sold or otherwise introduced into interstate/foreign commerce (for example, sold across state lines or imported from another country)



Which Labeling Laws and Regulations Apply?

3	1	If the alcohol content by volume is:			
		0.5 to < 7%	7 to 24%		
		2	Interstate commerce?		
			Yes	No	
Then the following wine labeling laws and regulations apply:					
Law	Implementing Regulations				
Alcoholic Beverage Labeling Act of 1988 (ABLA) 27 U.S.C. 213 et seq.	27 CFR part 16 - Alcoholic Beverage Health Warning Statement	X	X	X	
Internal Revenue Code (IRC) 26 U.S.C. Chapter 51	27 CFR part 24 - Wine 27 CFR part 27 - Importation of Distilled Spirits, Wines, and Beer	X	X	X	
Federal Alcohol Administration (FAA) Act 27 U.S.C. 201 et. seq.	27 CFR part 4 - Labeling and Advertising of Wine		X		
Federal Food, Drug, and Cosmetic Act (FD&C Act) 21 U.S.C. 341-350	21 CFR part 101 – Food Labeling	X			

Mandatory Label Information





Type Size Requirements

For all mandatory label information

(except alcohol content and government health warning statement)

If the container size is:	Then the <u>minimum</u> type size is:
187 milliliters or less	1 millimeter
More than 187 milliliters	2 millimeters

[27 CFR 4.38\(b\)](#) and [27 CFR 24.257\(a\)](#)



Type Size Requirements

For alcohol content:

If the container size is:	Then the <u>minimum</u> type size is:
5 liters or less	1 millimeter
More than 5 liters	N/A

If the container size is:	Then the <u>maximum</u> type size is:
5 liters or less	3 millimeters
More than 5 liters	N/A



Government Health Warning Statement

- All domestic and imported cider and perry products with 0.5% alcohol by volume or more must bear the government health warning statement
 - May appear on any label (front, back, neck, etc.)
 - Must be separate and apart from all other information
 - See [27 CFR part 16](#) for complete rules (type size, etc.)

GOVERNMENT WARNING: (1) According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects.

(2) Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problems.



Mandatory Label Information

Name and address

0.5 - 24% (Domestic)

- May appear on any label
- Name and address of the wine premises where bottled or packed
- [27 CFR 24.257\(a\)\(1\)](#)

7 - 24% and Interstate

- May appear on any label
- Name or trade name of the bottler/importer as listed on the TTB permit
- Address (City and State) of the bottler/importer as listed on the permit
- Must be preceded by the words “Bottled/Packed by” or “Imported by”
- May optionally add “Produced” or “Made”, “Blended”, etc. to statement (see part 4 for rules)
- [27 CFR 4.32\(b\)\(1\)](#) and [27 CFR 4.35](#)



Mandatory Label Information

Brand Name - the name under which the product is sold; usually the most prominent piece of information on the label

0.5 - 24% (Domestic)

- May appear on any label
- If there is no brand name the name of the bottler is considered the brand name
- [27 CFR 24.257\(a\)\(2\)](#)

7 – 24% and Interstate

- Must appear on the brand label*
- If there is no brand name on the label, the name of the bottler/importer as shown on the brand label is considered the brand name
- May not create a misleading impression
- [27 CFR 4.32\(a\)\(1\)](#), [27 CFR 4.33](#)



Mandatory Label Information

Alcohol Content

0.5 - 24% (Domestic)

- May appear on any label
- Must be stated as percent by volume or in accordance with 27 CFR part 4 (see 7-24% box)
- [27 CFR 24.257\(a\)\(3\)](#)

7 – 24% and Interstate

- May appear on any label
- “Fruit [apple] Table Wine” may be used for cider/perry with 7-14% alcohol by volume; or
- Specific statements:
 - Alcohol __% by volume
 - Alcohol __% to __% by volume (see part 4 for rules)
 - May use “Alc.” and “Vol.” or “Alc” and “Vol”
 - May replace “by” with “/”
 - May NOT use “ABV”
- [27 CFR 4.32\(b\)\(3\)](#), [27 CFR 4.36](#)



Mandatory Label Information

Alcohol Content – labeling tolerances

0.5 - < 7% (Domestic)

- Plus/minus 0.75% by volume
- [27 CFR 24.257\(a\)\(3\)](#)

7 - 14%*

- Plus/minus 1.5%
- [27 CFR 4.36](#)

Above 14%*

- Plus/minus 1%
- [27 CFR 4.36](#)

*Regardless of tolerance, statements cannot be inconsistent with class, type or tax class.



Mandatory Label Information

Net Contents

0.5 – 24% (Domestic)

- May appear on any label; or
- May be etched/blown into the container
- 27 CFR 24.257(a)(5)

7 – 24% and Interstate

- May appear on any label; or
- May be etched/blown into the container
- Must use the authorized metric standards of fill (27 CFR 4.72)
- May use the following abbreviations:
 - milliliters – ml, ML, mL
 - Liters - L
- 27 CFR 4.32(b)(2), 27 CFR 4.37



Mandatory Label Information

Authorized Standards of Fill [27 CFR 4.72](#)

7 -24% and Interstate

- Cider/Perry products may only be sold in these size containers – **including kegs**
- Between 3 and 18 liters - must be even liters (4 liters, 12 liters, etc.)
- No size restrictions over 18 liters

3 liters	375 milliliters
1.5 liters	187 milliliters
1 liter	100 milliliters
750 milliliters	50 milliliters
500 milliliters	



Mandatory Label Information

Kind of wine/class or type designation

0.5 – 24% (Domestic)

- May appear on any label
- If 7% or more and is required to have a COLA (interstate commerce), must use the class, type, or other designation found in part 4
- If 7% or more and covered by a certificate of exemption, use either:
 - class, type, or other designation found in part 4; OR
 - an adequate statement of composition
- If under 7% an adequate statement of composition may be used instead of the class and type in part 4
- [27 CFR 24.257\(a\)\(4\)](#)

7 -24% and Interstate

- Must appear on brand label
- Must use the class, type or other designations found in the standards of identity (SOI) [27 CFR part 4 Subpart H](#)
- If no SOI applies, must use a truthful and adequate statement of composition (wine specialty products)
- [27 CFR 4.32\(a\)\(2\), 27 CFR 4.34\(a\)](#)



Mandatory Label Information

0.5 – 24%

A statement of composition must:

- identify the product *and*
- identify the tax class (e.g., hard cider, carbonated, etc.) when viewed with the alcohol content:
 - Must include either “wine,” “cider” or “perry,” as applicable
 - Must state “sparkling” or “carbonated,” if applicable
 - If the statement of composition leaves doubt as to the tax class of the wine, the wine must be marked “tax class 5041(b)(1) IRC” or an equivalent phrase

[27 CFR 24.257](#)



Mandatory Label Information

0.5 – 24%

Examples of Statements of Composition

- A still wine marked “*perry with natural flavors*” and “*alc by vol 9%*” is adequately marked to identify its tax class (still wine under 14%)
- A still wine eligible for the hard cider tax rate marked “*cider*” or “*hard cider*” and “*alc. 6% by vol*” is adequately marked to identify its tax class (hard cider)
- An apple wine injected with greater than 0.392 grams of CO₂ per 100mL marked “*carbonated apple cider*” is adequately marked to identify its tax class (artificially carbonated wine)



Class and Type Designations in Part 4

- **Class**

- In the standards of identity, the broad category “wine” is divided into 9 classes, including “Class 5: Fruit Wine” [27 CFR 4.21\(e\)](#)

- **Type**

- Most of the classes include specifically defined types of wine
- “Cider,” “Perry,” and “Carbonated cider” are examples of specific types defined under “Class 5: Fruit Wine”



To be Labeled “Cider” “Hard Cider” “Apple Cider”

- The product must be:
 - Produced by the normal alcoholic fermentation of the juice of sound, ripe apples, and
 - Derived wholly (except sugar, water, or added alcohol) from apples



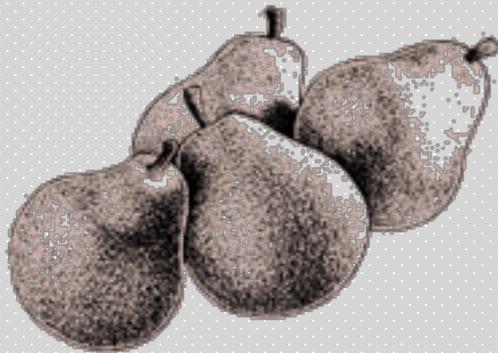
Such wine may also be labeled as “*apple wine*”

[27 CFR 4.21\(e\)\(5\)](#)



To be Labeled “Perry”

- The product must be:
 - Produced by the normal alcoholic fermentation of the juice of sound, ripe pears, and
 - Derived wholly (except sugar, water, or added alcohol) from pears



Such wine may also be labeled as “*pear wine*” but MAY NOT be labeled “*pear cider*”

[27 CFR 4.21\(e\)\(5\)](#)



Effervescent Designations

- Cider or Perry that is made effervescent by carbon dioxide at a level of 0.392 grams per 100mL or more must be labeled as “*sparkling*” or “*carbonated*,” depending on the method used to produce effervescence
 - **Sparkling cider/perry:** CO₂ results solely from secondary fermentation within a closed container, tank, or bottle
 - **Carbonated cider/perry:** Obtains its effervescence through the use of CO₂ obtained otherwise, for example, by injection

[27 CFR 4.21\(e\)\(5\)](#)



What Can't be Designated Simply “Cider” or “Perry”?

Any wine that does not meet those standards of identity, including:

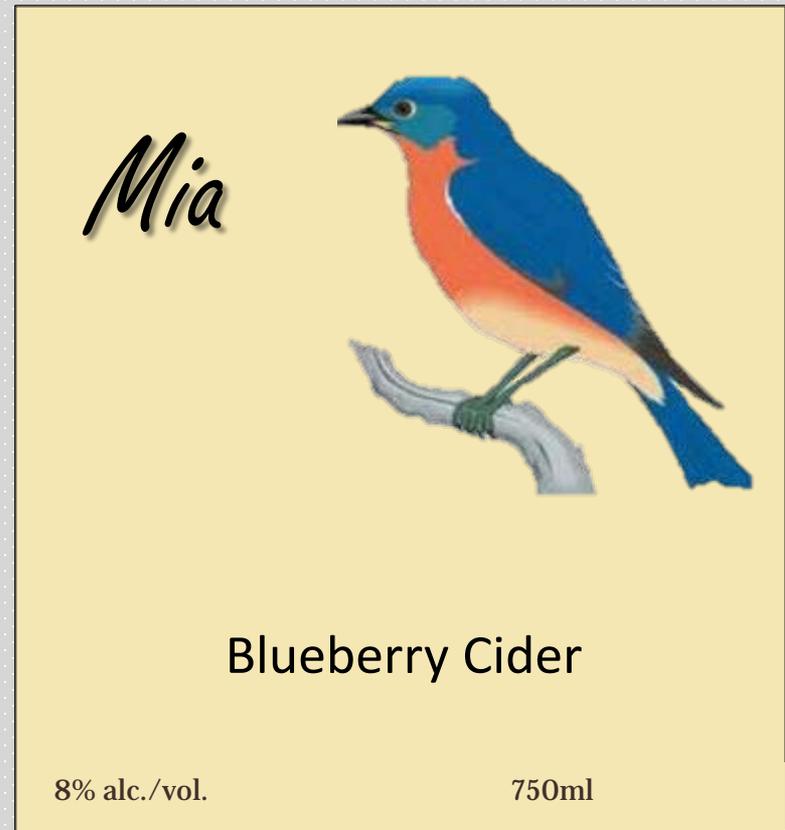
- Any wine made with fruits other than 100% apples or pears, respectively
- Any cider or perry product to which spices, flavoring or coloring materials, or have been added
- Any cider or perry product to which excess sugar or water have been added



How are Those Wines Designated?

Fermenting two kinds of fruit juice

- Must be designated with a truthful and adequate statement of composition such as "*apple-blueberry wine*" or "*blueberry cider*"
- The designation "*fruit wine*" may appear in direct conjunction with the statement of composition



Does not require formula approval

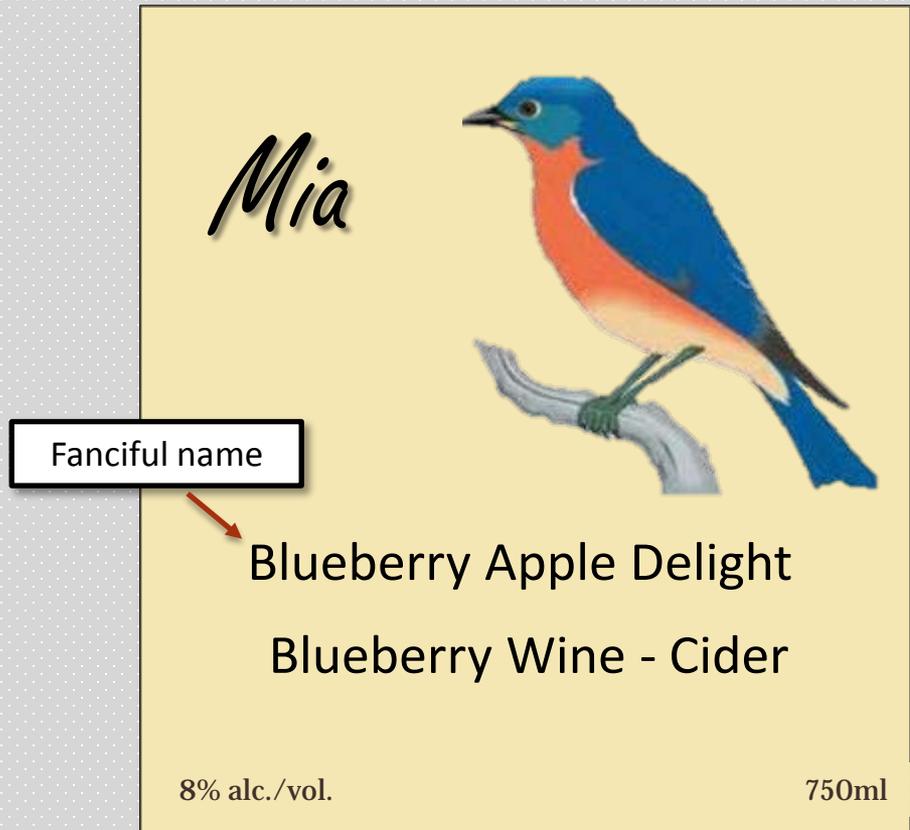
[27 CFR 4.21\(e\)\(5\)](#)



How are Those Wines Designated?

Blending two kinds of fruit wine

- Must be designated with a statement of composition, such as "*apple wine - blueberry wine*" or "*cider - blueberry wine*"
- "*Fruit wine*" may appear in direct conjunction with the statement of composition
- May also be labeled with a fanciful name such as "*Blueberry Apple Delight*"



Requires formula approval

[27 CFR 4.34\(a\)](#)



How are Those Wines Designated?

Added honey, spices, natural flavors or artificial flavors

- Must be designated with a statement of composition, such as "*cider with artificial and natural blueberry flavors*" or "*apple cider with honey and spices*"
- May also use a fanciful name but it must not be misleading as to the identity of the product
 - The fanciful name and statement of composition must be the same size and font and must appear together on the Brand Label



Requires formula
approval

[27 CFR 4.34\(a\)](#)



Any Other Mandatory Label Information?

7 – 24% and Interstate

If applicable the following information must appear:

- See [27 CFR 4.32](#) for details
- On blends consisting of American and foreign wines, if any reference is made to the presence of foreign wine, the exact percentage by volume
- Declarations of the presence of:
 - FD&C Yellow No. 5
 - Cochineal extract or carmine
 - Sulfites



Any Other Mandatory Label Information?

Imported containers of cider and perry products are required to be marked, branded and labeled (for example a **Country of Origin** statement) in accordance with CBP regulations

[19 CFR part 11](#), [part 12](#) and [part 134](#)



Sulfite Declaration

7 to 24% and Interstate

- Label must contain a sulfite declaration if the cider/perry product contains 10 ppm or more sulfur dioxide
 - “Contains Sulfites” or “Contains Sulphites”
- No statement required if cider/perry product contains less than 10 ppm
 - Obtain Lab Analysis
 - Submit analysis with COLA



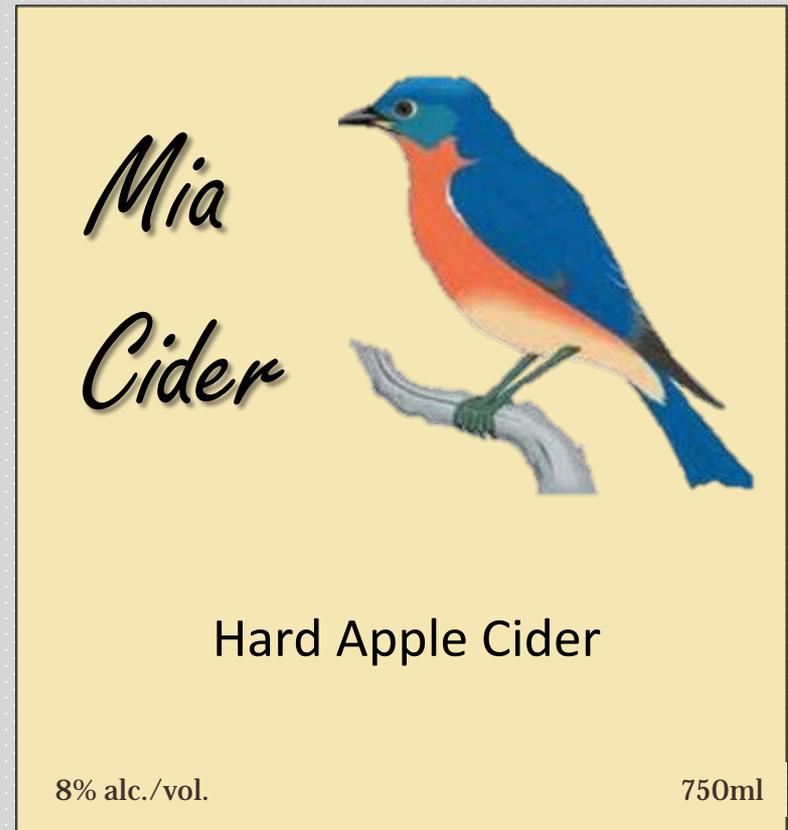
[27 CFR 4.32\(e\)](#)



“Cider” in the Brand Name?

7 to 24% and Interstate

“Cider” may be used in a brand name on wines that meet the standard of identity for cider





“Cider” in the Brand Name?

7 to 24% and Interstate

“Cider” must be modified to be used in the brand name of wines that do not meet the standard of identity for cider





When can “Cider” be used in a fanciful name?

7 to 24% and Interstate

- “Cider” may be used in a fanciful name in conjunction with the word “flavored” when flavors are added to apple wine
- The fanciful name "*apple perry*" or "*pear cider*" would not be approved because it is misleading as to the identity of the product

The label for "Mia" Pear Flavored Cider features the brand name "Mia" in a large, black, cursive font at the top. Below the name is a square illustration of a woven basket containing a pear, an apple, and an orange, with green leaves and small colorful circles around them. At the bottom of the label, the text "9% alc./vol." is on the left and "750ml" is on the right. A white box with the text "Fanciful name" and a red arrow points to the brand name "Mia".

Mia

Pear Flavored Cider
Cider with Natural Flavors

9% alc./vol. 750ml

Optional Label Claims





Appellation Of Origin

7 to 24% and Interstate

“Cider” and “Perry” labels may bear an appellation of origin (for example, a country, state or county) if:

- At least 75% of the cider/perry is derived from fruit grown in the named appellation
- The wine has been fully finished:
 - if labeled with a State appellation, within the labeled State or an adjacent State
 - If labeled with a county appellation, within the State in which the labeled county is located (“County” or “Parish” must accompany the name(s))

[27 CFR 4.25](#)



Appellation Of Origin

7 to 24% and Interstate

American Viticultural Areas, which are defined as grape growing regions, may NOT be used on cider and perry products

27 CFR 4.25



Gluten Free

7 to 24% and Interstate

- Alcohol beverages that are made from ingredients that do not contain gluten (such as cider fermented from apples) may make "gluten-free" claims in compliance with FDA regulations for inherently gluten-free products
- [TTB Ruling 2014-2 - Revised Interim Policy on Gluten Content Statements](#)
- [Gluten-Free Labeling of Foods on www.FDA.gov](http://www.FDA.gov)

FDA Labeling Requirements





Do FDA Food Labeling Requirements Apply?

0.5 – under 7%

While the part 4 labeling and COLA rules do not apply to cider/perry products containing less than 7 percent alcohol by volume, the labels of these wines must comply with applicable [FDA food labeling requirements](#), including ingredient labeling, nutrient labeling*, and allergen labeling requirements

*Certain small businesses can be exempt from Nutrition Facts Labeling (See [Small Business Nutrition Labeling Exemption](#))

COLA Requirements





Certificate of Label Approval

- A certificate of label approval (COLA) is issued on [TTB Form 5100.31](#) and it authorizes:
 - bottling (4L or less) or packing (larger than 4L), or
 - removal
 - from the bonded premises, or
 - from customs custody
 - for introduction into interstate commerce



When is a COLA Required?

- Applies only to cider/perry products that contain at least 7% alcohol by volume
- Only required if the cider/perry product will be shipped in or otherwise introduced into interstate or foreign commerce [27 CFR 4.50\(a\)](#)
- The bottler/packer must get a COLA before bottling/packing the product



Certificate of Exemption

- A certificate of exemption is also issued on [TTB Form 5100.31](#)
- Applies only to cider/perry products that contain at least 7% alcohol by volume
- Signifies that the associated product is exempt from the labeling rules in part 4
- Issued under the condition that the product **will under no circumstances be introduced into interstate or foreign commerce** [27 CFR 4.50\(b\)](#)
 - The label must bear the statement, “For sale in (*name of state where bottled*) only”



How Do I Apply for Label Approval?

- Electronic filing through [COLAs Online](#)
- Paper form [TTB Form 5100.31](#)



Questions?



CIDER RESOURCES



Speaker Contact Info.

Susan Evans

Executive Liaison for Industry and State Matters
Washington, DC

Janelle Christian

Policy Advisor
Portland, OR

Kim Briedis

Program Analyst
Cincinnati, Ohio

Martha Tebbenkamp

Field Investigator
Western II District

Nicole Candelora

Wine Labeling QA Coordinator
Washington, DC

Roberta Sanders Formulation

Program Manager Washington,
DC



Other TTB Contacts

National Revenue Center (NRC)	
Email	General Inquiries: TTBInternetQuestions@ttb.gov List of NRC Email Contacts provides you with email addresses for questions related to a specific commodity or tax area.
Telephone	Toll-free at 877-TTB-FAQS (877-882-3277)
Permits Online	Toll-free at 855-882-7665 Fax: 202-453-2989 Email: permits.online@ttb.gov
Address	National Revenue Center 550 Main Street, Suite 8002 Cincinnati, Ohio 45202
TTB Tip Line	Report suspected fraud, diversion, and other illegal activity Toll-Free: 855-882-8477



Other TTB Contacts

Advertising, Labeling, and Formulation Division

Telephone	(202) 453-2250 or Toll-Free at (866) 927-ALFD (2533)
Email	alfd@ttb.gov

Regulations and Rulings Division

Telephone	(202) 453-2265
Email	Regulations@ttb.gov



Resources on TTB.gov

- Cider FAQs

http://www.ttb.gov/faqs/alcohol_faqs.shtml?Cider#Cider

- Subscribe to automatically receive the weekly TTB Newsletter (via email)

<https://public.govdelivery.com/accounts/USTTB/subscriber/new>

- Secure Email Communication with TTB

<http://www.ttb.gov/about/secure-email.shtml>



Resources on TTB.gov

- Quick Reference Guide to Wine Excise Tax
http://www.ttb.gov/tax_audit/taxguide.shtml
- 2016 Schedule of Semi-Monthly Tax Due Dates
http://www.ttb.gov/tax_audit/archive/2016-semi-monthly-schedule.pdf
- 2016 Schedule of Quarterly Tax Due Dates
http://www.ttb.gov/tax_audit/archive/2016-quarterly-schedule.pdf
- Common Compliance Issues in a TTB Bonded Wine Premises Audit
http://www.ttb.gov/wine/common_compliance_tax_issues.shtml



Resources on TTB.gov

- Labeling (7% and more alcohol by volume)
 - Gluten Content Statements
<http://www.ttb.gov/rulings/2014-2.pdf>
 - Allowable Revisions to previously approved labels
http://www.ttb.gov/labeling/allowable_revisions.shtml#completeList
 - Alcohol Beverages Labeled with Organic Claims
http://www.ttb.gov/afd/afd_organic.shtml
 - Current Processing Times for Label Applications
<http://www.ttb.gov/labeling/processing-times.shtml>



Resources on TTB.gov

- Smart Forms and Forms Tutorials
 - [TTB F 5120.17sm](#) – Report of Wine Premises Operations Smart Form
 - [TTB P 5120.17 Color Coded Sample Report of Wine Premises Operations](#)
 - [TTB F 5000.24sm](#) – Excise Tax Return [Smart Form](#)
 - [Helpful Hints in Preparing Excise Tax Return](#)



Resources

- Permits Online

- Permits Online Homepage

- <http://www.ttb.gov/ponl/permits-online.shtml>

- Customer Reference Guide

- <http://www.ttb.gov/ponl/customer-reference-manual-permits-online-0515.pdf>





Resources

- Formulas Online

- Formulas Online Homepage

- <http://www.ttb.gov/foia/fonl-main.shtml>

- Formulas Online User Guide

- http://www.ttb.gov/foia/fonl-docs/fonl_oim_um.pdf





Resources

- COLAs Online

- COLAs Online Homepage

- <http://www.ttb.gov/labeling/colas.shtml>

- COLAs Online User Guide

- http://www.ttb.gov/labeling/pdf/colas_ol_oim_um.pdf





Resources

- FDA Labeling

- Under FDA's laws and regulations, FDA does not pre-approve labels for food products
- Questions concerning the labeling of under 7% cider may be directed to:

Food Labeling and Standards Staff (HFS-820)
Office of Nutrition, Labeling, and Dietary Supplements
Center for Food Safety and Applied Nutrition
Food and Drug Administration
Telephone: (240) 402-2371

- FDA Food Labeling Guide

<http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm2006828.htm>