

**DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
ABSTRACT AND STATEMENT**

NOT IN SUIT

For briefing offers in compromise of liabilities and/or violations incurred under sections 4181 and 4182 and Chapters 51 and 52 of the Internal Revenue Code and/or liabilities and/or violations incurred under the Federal Alcohol Administration Act.

1. OFFER SUBMITTED BY (Name and address) Decon Laboratories, Inc. 460 Glennie Cir King of Prussia, PA 19406	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER \$3,200,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	
	5. CASE NUMBER NA	
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ 5,136,375.14	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE

VIOLATIONS:
 For the period of July 1, 2017, through June 30, 2019 (unless otherwise specified), Proponent allegedly violated:

- 26 U.S.C. 5001(c)(1) regarding ineligible reduced rate taken (for the period January 1, 2018, through August 15, 2021);
- 26 U.S.C. 5001(a)(4); 5005(e)(1); 5271(a) and 27 CFR 19.223(c); 19.424; 22.31; 22.111(c)(3) and 22.112(a) regarding tax-free spirits sold in excess of permit limits;
- 26 U.S.C. 5008(a) and 27 CFR 19.461; 19.462(c) regarding unexplained losses;
- 26 U.S.C. 5008(a)(1)(C) and 27 CFR 19.462(c) regarding unexplained inventory shortages (for the period July 1, 2017, through August 20, 2019);
- 26 U.S.C. 5008 and 27 CFR 19.461; 19.465 regarding failure to pay tax on shortages;
- 26 U.S.C. 5001(a)(5); 5271(a) and 27 CFR 19.424(d); 20.31; 20.161(c)(3) regarding SDA sold to non-Permitted user; and
- 26 U.S.C. 5207(a)(4)(C) and 27 CFR 19.611(a)&(b) regarding net overpayment of excise tax due to failure to maintain correct records and reports of transactions.

BUSINESS IN WHICH ENGAGED:
 The Proponent is the proprietor of a distilled spirits plant.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:
 The alleged violations occurred on or between 7/1/2017 through 8/15/2021, at Proponent's premises located at:

460 Glennie Cir
 King of Prussia, PA 19406

AMOUNT AND TERMS OF OFFER:
 Proponent has submitted an offer in compromise (OIC) in the amount of \$3,200,000.00 consisting of an initial deposit of \$1,200,000.00 and 20 monthly installments of \$100,000.00.

RECOMMENDATION:
 The Director, Tax Services Division, Office of Permitting and Taxation, believes that doubt as to liability has been established and, as such, the Director, recommends acceptance of the OIC.

9. I have considered the proposition to compromise the liability as charged herein, and, for the reasons embodied in the above abstract and statement, am of the opinion that it will be for the best interest of the United States to ACCEPT REJECT the terms proposed.

10. SIGNATURE AND TITLE [REDACTED] Digitally signed by [REDACTED] Asst. Administrator Field Operations Date: 2021.12.10 15:53:12 -0500	11. DATE 12/10/2021
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