

**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 Chapters 32,51,52,53,68, and/or 78 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)

Cruzan International, Inc.
Esperante Suite 1500
222 Lakeview Avenue
West Palm Beach, Florida 33401

OFFER IN COMPROMISE

2. ORIGINATING OFFICE Tax Audit Division	3. AMOUNT OF OFFER \$425,000.00
4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	5. SYSTEM CONTROL NUMBER(S)
6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ 460,650.49	
7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE

VIOLATIONS:

During the period January, 2003 to September, 2005, the proponent (1) removed [REDACTED] gallons of wine mixed with [REDACTED] proof gallons of distilled spirits from a bonded winery facility to a bonded brewery facility, a violation of 26 U.S.C. 5601(a)(11) and 5362 (c); (2) engaged in the unauthorized production of spirits at a brewery facility, a violation of 26 U.S.C. 5601(a)(6); (3) failed to properly amend its registration of distilled spirits plant operations prior to commencing production of its wine reduction product, a violation of 26 U.S.C. 5171(c)(2), 5601(a)(2) and 27 CFR 19.191; (4) failed to properly gauge its finished wine reduction and spirits reduction following production, a violation of 26 U.S.C. 5204, 5603(b), and 27 CFR 19.980(b); and (5) failed to maintain required receipt and disposition of records for wine transferred to its distilled spirits plants, and spirits produced from such wine; a violation of 26 U.S.C. 5207, 5555, 27 CFR 19.731, 19.732, 19.736, 19.982, 19.984 and 19.987.

BUSINESS IN WHICH ENGAGED:

The proponent is a duly qualified distilled spirits plant and bonded wine cellar.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:

From January, 2003 to September, 2005, at the proponent's premises located at 530 North Dakota Avenue, Lake Alfred, FL 33850-2130.

AMOUNT AND TERMS OF OFFER:

The proponent has submitted an offer of \$425,000.00 in compromise of the above violations incurred under the Internal Revenue Code.

RECOMMENDATIONS:

The Director, National Revenue Center recommends acceptance of the offer. In view of doubt as to liability and the hazards of litigation, acceptance of this Offer in Compromise, as submitted, is warranted.

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

**Thomas R. Crone, Deputy Assistant Administrator
Field Operations**

11. DATE

4-27-07