

**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) Devalmont Vineyards, Inc. dba Gruet Winery 8400 Pan American Fwy. NE Albuquerque, New Mexico 87113	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER \$7,500.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	
	5. CASE NUMBER [REDACTED]	
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ N/A	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE
VIOLATIONS:
 The proponent allegedly (1) failed to have in place adequate deferral bond coverage in violation of 26 U.S.C. 5354 and 27 C.F.R. 24.146(b); (2) failed to accurately record annual inventory in violation of 26 U.S.C. 5367 and 5369 and 27 C.F.R. 24.313; (3) failed to maintain source records and/or inventory count records for the required time period in violation of 26 U.S.C. 5367 and 5369 and 27 C.F.R. 24.300(a), 24.300(b), 24.300(d) and 24.313; (4) failed to maintain accurate wine transaction records and/or reports of wine premises operations in violation of 26 U.S.C. 5367 and 27 C.F.R. 24.300(a), 24.300(b), 24.300(c) and 24.300(g); (5) failed to notify TTB of change in annual inventory period in violation of 26 U.S.C. 5369 and 27 C.F.R. 24.313; (6) failed to sign inventory counts under penalty of perjury in violation of 26 U.S.C. 5369 and 27 C.F.R. 24.313(e); (7) failed to record volume of bulk wine in inventory in required records in violation of 26 U.S.C. 5369 and 27 C.F.R. 24.313(d); (8) failed to record and/or report inventory losses or shortages in violation of 26 U.S.C. 5369 and 27 C.F.R. 24.313; (9) failed to timely file reports of wine premises operations in violation of 26 U.S.C. 5367 and 27 C.F.R. 24.300; (10) failed to timely or accurately pay federal excise tax on wines removed from bond in violation of 26 U.S.C. 5041 and 5061 and 27 C.F.R. 24.270 and 24.271; (11) failed to maintain and/or retain daily tasting and testing records in violation of 26 U.S.C. 5367 and 27 C.F.R. 24.300; (12) failed to file Special Occupational Tax registration forms in violation of 26 U.S.C. 5148 and 27 C.F.R. 24.50(c); (13) failed to accurately record or document transfers of wine in bond and taxable removals of wine in violation of 26 U.S.C. 5367 and 27 C.F.R. 24.301, 24.309(a), 24.309(d), 24.309(g), 24.309(e) and 24.310; (14) failed to report losses from theft or in transit losses in violation of 26 U.S.C. 5367 and 27 C.F.R. 24.265, 24.266 and 24.267; (15) failed to file variance for retention of proof of export in violation of 26 U.S.C. 5367 and 5555 and 27 C.F.R. 28.125 and 28.20; (16) re-labeled wines without first seeking and obtaining TTB approval in violation of 27 U.S.C. 205(e) and 27 C.F.R. 4.50(a) and 4.50(b); (17) failed to maintain source records and to record receipt and use of sugar as a wine treating material in violation of 26 U.S.C. 5367 and 27 C.F.R. 24.300(b) and 24.317; and (18) failed to record the receipt and use of chemicals as wine treating materials in violation of 26 U.S.C. 5367 and 27 C.F.R. 24.320.

BUSINESS IN WHICH ENGAGED:
 The proponent is a duly qualified bonded winery.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:
 The violations occurred from June 15, 2006 to October 31, 2008 at the proponent's premises located at 8400 Pan American Fwy. NE, Albuquerque, New Mexico 87113.

AMOUNT AND TERMS OF OFFER:
 The proponent has submitted an offer of \$7,500.00 in compromise of the above violations incurred under the Internal Revenue Code and the Federal Alcohol Administration Act.

RECOMMENDATIONS:
 The Director, National Revenue Center, recommends acceptance of the offer. In view of potential litigation hazards, 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 [REDACTED] 11. DATE 5/6/10