

**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)

Univar USA, Inc.
P.O. Box 911
Saint Just, Puerto Rico 00978

OFFER IN COMPROMISE

2. ORIGINATING OFFICE

TTD

3. AMOUNT OF OFFER

\$50,000.00

**4. PERMIT, LICENSE, OR
REGISTRY NO. (if applicable)**

[REDACTED]

5. SYSTEM CONTROL NUMBER(S)

2010-211-ATF-011

6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable)

\$ 2,012,935.59

7. TAXPAYER IDENTIFICATION NUMBER

[REDACTED]

**8. CHARGE
VIOLATIONS:**

On or about and between March 1, 2009 through June 15, 2009, the proponent allegedly committed the following violations of Federal Laws and regulations regarding the procurement, disposition, and recovery of specially denatured spirits (SDS). Specifically, TTB alleged that Univar shipped recovered denatured alcohol to a company that does not hold a TTB permit as required by 27 C.F.R. § 20.214. Additionally, TTB alleged violations of 27 C.F.R. §§ 20.161 and 20.175 based on Univar's failure to: (1) provide a copy of its TTB permit to its supplier, and (2) include its permit identification number along with a statement that Univar possesses a valid permit to withdraw SDS in its purchase orders.

Based on these allegations, TTB imposed tax on the SDS at the rate imposed by law on distilled spirits, and proposed an assessment of tax, plus applicable interest, under 27 C.F.R. §§ 20.31 and 20.137. TTB proposes an adjustment of Univar's tax liability in the amount of \$1,921,077, plus, as of the date of the Notice and Demand of Taxes Due, \$91,858.59 in interest.

BUSINESS IN WHICH ENGAGED:

The proponent is engaged in Specially Denatured Spirits Operations.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:

On or about and between March 1, 2009 through June 15, 2009, in Puerto Rico.

AMOUNT AND TERMS OF OFFER:

The proponent has submitted an offer of \$50,000.00 in compromise of the alleged violations incurred under the Internal Revenue Code.

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 (Typed name)

11. DATE

10/7/10