

**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) Midwest Custom Bottling LLC N27 W23921 Paul Rd, Ste B Pewaukee, WI 53072	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER \$43,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	
	5. CASE NUMBER	
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ 135,822.94	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE

VIOLATION:
TTB alleged that Proponent paid tax on wine using tax credits, but was not eligible for the tax credits under 26 U.S.C. 5041(c) due to quantity limitations that apply to controlled groups. Proponent was acquired by another proprietor in April 2021. TTB alleged that Proponent was a member of that proprietor's controlled group for the entire calendar year of 2021 and, thus, was not eligible for the tax credits taken by Proponent prior to the acquisition.

BUSINESS IN WHICH ENGAGED:
The Proponent is a registered bonded winery proprietor.

DATE OR PERIOD AND LOCATION OF VIOLATION:
The alleged violation occurred during the period from January 1, 2021, through April 15, 2021, at the Proponent's premises located at N27 W23921 Paul Road, Ste A, Pewaukee, WI 53072

AMOUNT OF OFFER:
The Proponent offered \$43,000.00 in compromise of the tax liability based on doubt as to liability.

RECOMMENDATIONS:
The Director, Tax Services Division, recommends acceptance of the offer as doubt to liability has been established.

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] Deputy Asst. Administrator Field Operations	11. DATE June 26, 2023
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INSTRUCTIONS

Item No:

1. Complete name and address along with any name the proponent is doing business as (d/b/a), operating as, or trading as (t/a).
2. Indicate the office originating the offer.
3. State the dollar amount of the offer submitted by the proponent.
4. This block should show the permit, license, or registry number of the proponent, if the proponent has such a number. If there is no license, permit, or registry number, identify the type of business and the state of operation, e.g., RLD-PA or FAET-NJ.
5. This block should indicate the case number assigned by the Office of Assistant Administrator, Field Operations.
6. For those IRC cases where TTB is reviewing an offer to compromise, an outstanding tax liability due to doubt as to collectibility and/or liability, the full amount of the tax liability (including any penalties, interest and/or additional amounts) should be entered in this block. This amount must agree with the amount shown on the offer form, TTB F 5640.1.
7. This block must contain the proponent's employer identification number (EIN) or, if the proponent has no EIN, the proponent's social security number (SSN).
8. Describe, in separate paragraphs:
 - The business in which the proponent is engaged and to which the offer applies;
 - The violation(s) and number of instances, if appropriate, including all law citation(s) and regulation citation(s);
 - The liabilities to be compromised, if any, and the sections of law and regulations applicable to those liabilities;
 - A statement of the facts, to include the date or tax period, as applicable, and place of the violation(s);
 - The reason for submitting the offer (which may include the amount and terms of the offer) and, if applicable, the basis for doubt as to liability and/or collectibility; and
 - Additional comments, conclusions, and the recommendation of the appropriate TTB official.

Additional pages may be attached to TTB F 5640.3 describing the condition(s) of the offer.

9. The appropriate TTB official signing in Item 10 must check either the "ACCEPT" or "REJECT" block.
10. The signature and title of the appropriate TTB official must appear in this block.
11. The date the offer is accepted or rejected must be indicated in this block.