

# TTB Compliance Code Breaker



## WINE COMPLIANCE ALLIANCE

COMPREHENSION THROUGH TRAINING AND DIRECTION

Term	Translation
5120.17	TTB report that all US wineries (& wine cellars) are required to file <b>The 702!</b>
Alternate Procedure	Process created by TTB in March 2018 as a way to allow wineries to take advantage of tax credit deductions on their excise taxes for wines already in storage at a warehouse. (due to new tax law in effect 1/1/18)
Bill of Lading (BOL)	TTB regulated record which documents movements of wine from one site to another, either “in bond” or “taxpaid”
Excise tax	Tax owed to the TTB on wine when “removed for sale or consumption”. Wineries have the option of paying it after they bottle wine or sending bottled wine to their warehouses “in bond” & having their warehouse pay it when shipped out to customers.
In Bond	Wine stored at a winery or wine cellar on which TTB excise taxes have not been paid. These in bond gallon amounts are shown on the 5120.17 report
Produced by.....	Referring to specific activities and reporting those activities on lines 2,3, 4 & 6 in Part 1,section A of the 5120.17 report. Gallons that are reported on those report lines <b>DO</b> qualify for the excise tax credits. *wine gallons must also be “removed taxpaid” from same winery site
TTB	Alcohol & Tobacco Tax & Trade Bureau. The federal agency which regulates all alcoholic beverage industries.
Taxpaid	Wine stored at a winery or wine cellar on which TTB excise taxes <b>have</b> been paid. After being listed on line 8/removed taxpaid, these gallon amounts are <b>not</b> shown on the 5120.17 report
Tax credits	Tax credit deductions allowed on qualifying wines when making payments of TTB excise taxes. As of 1/1/18 there are three levels of credit amounts. \$1.00/0.90/0.53.5 per gallon on up to 30K/100K/620K gallons “removed taxpaid” per year. (respectively for both)