

Editorial Notes**PRIOR PROVISIONS**

A prior section 5212, act Aug. 16, 1954, ch. 736, 68A Stat. 639, related to the prevention and detection of fraud and contained a cross reference to provisions for gauging and marking of spirits, prior to the general revision of this chapter by Pub. L. 85-859. See section 5204(b) of this title.

Provisions similar to those comprising this section were contained in prior sections 5194(a), (e) to (g), 5217(a), 5246, 5308, act Aug. 16, 1954, ch. 736, 68A Stat. 634 to 636, 641, 647, 657, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

2020—Pub. L. 116-260 substituted “between bonded premises belonging to the same person or members of the same controlled group (within the meaning of section 5001(c)(2))” for “and before January 1, 2021,” and inserted at end “In the case of distilled spirits transferred in bond from the person who distilled or processed such distilled spirits (hereinafter referred to as ‘transferor’) to another person for bottling or storage of such distilled spirits, and returned to the transferor for removal, this section shall be applied without regard to whether distilled spirits are bulk distilled spirits, but only if the transferor retains title during the entire period between such distillation, or processing, and removal.”

2019—Pub. L. 116-94 substituted “January 1, 2021” for “January 1, 2020”.

2017—Pub. L. 115-97 inserted at end “In the case of distilled spirits transferred in bond after December 31, 2017, and before January 1, 2020, this section shall be applied without regard to whether distilled spirits are bulk distilled spirits.”

1980—Pub. L. 96-598 inserted provision that restriction on transfers to bulk distilled spirits not apply to alcohol bottled under section 5235 of this title which is to be withdrawn for industrial purposes.

1979—Pub. L. 96-39 substituted “Bulk distilled spirits” for “Distilled spirits” and “bulk distilled spirits” for “distilled spirits”.

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2020 AMENDMENT**

Pub. L. 116-260, div. EE, title I, §106(h)(3), Dec. 27, 2020, 134 Stat. 3045, provided that: “The amendments made by this subsection [amending this section] shall apply to distilled spirits transferred in bond after December 31, 2020.”

EFFECTIVE DATE OF 2019 AMENDMENT

Pub. L. 116-94, div. Q, title I, §144(h)(2), Dec. 20, 2019, 133 Stat. 3235, provided that: “The amendment made by this subsection [amending this section] shall apply to distilled spirits transferred in bond after December 31, 2019.”

EFFECTIVE DATE OF 2017 AMENDMENT

Pub. L. 115-97, title I, §13808(b), Dec. 22, 2017, 131 Stat. 2178, provided that: “The amendments made by this section [amending this section] shall apply distilled spirits transferred in bond after December 31, 2017.”

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-39 effective Jan. 1, 1980, see section 810 of Pub. L. 96-39, set out as a note under section 5001 of this title.

§ 5213. Withdrawal of distilled spirits from bonded premises on determination of tax

Subject to the provisions of section 5173, distilled spirits may be withdrawn from the bonded

premises of a distilled spirits plant on payment or determination of tax thereon, in approved containers, under such regulations as the Secretary shall prescribe.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1362; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 96-39, title VIII, §807(a)(27), July 26, 1979, 93 Stat. 285.)

Editorial Notes**PRIOR PROVISIONS**

A prior section 5213, act Aug. 16, 1954, ch. 736, 68A Stat. 639, related to return of materials used in the manufacture of distilled spirits, prior to the general revision of this chapter by Pub. L. 85-859. See sections 5002(a)(6) and 5291 of this title.

Provisions similar to those comprising this section were contained in prior sections 5194(a), (e) and 5244, act Aug. 16, 1954, ch. 736, 68A Stat. 634, 647, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

1979—Pub. L. 96-39 substituted “Subject to the provisions of section 5173” for “On application to the Secretary and subject to the provisions of section 5174(a)”.

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 1979 AMENDMENT**

Amendment by Pub. L. 96-39 effective Jan. 1, 1980, see section 810 of Pub. L. 96-39, set out as a note under section 5001 of this title.

§ 5214. Withdrawal of distilled spirits from bonded premises free of tax or without payment of tax**(a) Purposes**

Distilled spirits on which the internal revenue tax has not been paid or determined may, subject to such regulations as the Secretary shall prescribe, be withdrawn from the bonded premises of any distilled spirits plant in approved containers—

(1) free of tax after denaturation of such spirits in the manner prescribed by law for—

(A) exportation;

(B) use in the manufacture of ether, chloroform, or other definite chemical substance where such distilled spirits are changed into some other chemical substance and do not appear in the finished product; or

(C) any other use in the arts and industries (except for uses prohibited by section 5273(b) or (d)) and for fuel, light, and power; or

(2) free of tax by, and for the use of, the United States or any governmental agency thereof, any State, any political subdivision of a State, or the District of Columbia, for nonbeverage purposes; or

(3) free of tax for nonbeverage purposes and not for resale or use in the manufacture of any product for sale—

(A) for the use of any educational organization described in section 170(b)(1)(A)(ii) which is exempt from income tax under section 501(a), or for the use of any scientific university or college of learning;

(B) for any laboratory for use exclusively in scientific research;

(C) for use at any hospital, blood bank, or sanitarium), (including use in making any analysis or test at such hospital, blood bank, or sanitarium), or at any pathological laboratory exclusively engaged in making analyses, or tests, for hospitals or sanitariums; or

(D) for the use of any clinic operated for charity and not for profit (including use in the compounding of bona fide medicines for treatment outside of such clinics of patients thereof); or

(4) without payment of tax for exportation, after making such application and entries, filing such bonds as are required by section 5175, and complying with such other requirements as may by regulations be prescribed; or

(5) without payment of tax for use in wine production, as authorized by section 5373; or

(6) without payment of tax for transfer to manufacturing bonded warehouses for manufacturing in such warehouses for export, as authorized by law; or

(7) without payment of tax for use of certain vessels and aircraft, as authorized by law; or

(8) without payment of tax for transfer to foreign-trade zones, as authorized by law; or

(9) without payment of tax, for transfer (for the purpose of storage pending exportation) to any customs bonded warehouse from which distilled spirits may be exported, and distilled spirits transferred to a customs bonded warehouse under this paragraph shall be entered, stored, and accounted for under such regulations and bonds as the Secretary may prescribe; or

(10) without payment of tax by a proprietor of bonded premises for use in research, development, or testing (other than consumer testing or other market analysis) of processes, systems, materials, or equipment, relating to distilled spirits or distilled spirits operations, under such limitations and conditions as to quantities, use, and accountability as the Secretary may by regulations require for the protection of the revenue; or

(11) free of tax when contained in an article (within the meaning of section 5002(a)(14)); or

(12) free of tax in the case of distilled spirits produced under section 5181; or

(13) without payment of tax for use on bonded wine cellar premises in the production of wine or wine products which will be rendered unfit for beverage use and removed pursuant to section 5362(d); or

(14) with respect to distilled spirits removed after December 31, 2019, and before January 1, 2021, free of tax for use in or contained in hand sanitizer produced and distributed in a manner consistent with any guidance issued by the Food and Drug Administration that is related to the outbreak of virus SARS-CoV-2 or coronavirus disease 2019 (COVID-19).

(b) Cross references

(1) For provisions relating to denaturation, see sections 5241 and 5242.

(2) For provisions requiring permit for users of distilled spirits withdrawn free of tax and for users

of specially denatured distilled spirits, see section 5271.

(3) For provisions relating to withdrawal of distilled spirits without payment of tax for use of certain vessels and aircraft, as authorized by law, see 19 U.S.C. 1309.

(4) For provisions relating to withdrawal of distilled spirits without payment of tax for manufacture in manufacturing bonded warehouse, see 19 U.S.C. 1311.

(5) For provisions relating to foreign-trade zones, see 19 U.S.C. 81c.

(6) For provisions authorizing regulations for withdrawal of distilled spirits free of tax for use of the United States, see section 7510.

(7) For provisions authorizing removal of distillates to bonded wine cellars for use in the production of distilling material, see section 5373(e).

(8) For provisions relating to distilled spirits for use of foreign embassies, legations, etc., see section 5066.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1362; amended Pub. L. 91-172, title I, §101(j)(29), Dec. 30, 1969, 83 Stat. 529; Pub. L. 94-455, title XIX, §§1905(c)(2), 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1823, 1834; Pub. L. 95-176, §§3(a), (d), 4(a), Nov. 14, 1977, 91 Stat. 1365; Pub. L. 96-39, title VIII, §807(a)(28), July 26, 1979, 93 Stat. 285; Pub. L. 96-223, title II, §232(e)(2)(B), Apr. 2, 1980, 94 Stat. 280; Pub. L. 98-369, div. A, title IV, §455(a), July 18, 1984, 98 Stat. 823; Pub. L. 116-136, div. A, title II, §2308(a), Mar. 27, 2020, 134 Stat. 359.)

Editorial Notes

PRIOR PROVISIONS

A prior section 5214, act Aug. 16, 1954, ch. 736, 68A Stat. 639, related to regulation of traffic in containers of distilled spirits, prior to the general revision of this chapter by Pub. L. 85-859. See section 5301(a), (c), (d) of this title.

Provisions similar to those comprising subsecs. (a)(1) to (4), (9) and (b)(3) to (5) of this section were contained in prior sections of act Aug. 16, 1954, prior to the general revision of this chapter by Pub. L. 85-859, as follows:

<i>Present subsecs.:</i>	<i>Prior sections</i>
(a)	5243(e), 5247, 5310(a)-(c), 5331 (a)(1), (b), 5373(b)(4), 5522(a).
(a)(1)	5310(a), 5331(a)(1), (b).
(a)(2), (3)	5310(b), (c).
(a)(4)	5243(e), 5247.
(a)(9)	5373(b)(4).
(b)(3)	5248(2).
(b)(4)	5248(4).
(b)(5)	5248(3).

The prior sections, act Aug. 16, 1954, ch. 736, are set out in 68A Stat. 646-648, 658, 661, 662, 667.

AMENDMENTS

2020—Subsec. (a)(14). Pub. L. 116-136 added par. (14).

1984—Subsec. (a)(13). Pub. L. 98-369 added par. (13).

1980—Subsec. (a)(12). Pub. L. 96-223 added par. (12).

1979—Subsec. (a)(6). Pub. L. 96-39, §807(a)(28)(A), inserted “for manufacturing in such warehouses for export” after “bonded warehouses” and substituted “by law” for “by section 5522(a)”.

Subsec. (a)(9). Pub. L. 96-39, §807(a)(28)(B), struck out “in the case of distilled spirits bottled in bond for export under section 5233 or distilled spirits returned to bonded premises under section 5215(b),” after “payment of tax.”

Subsec. (a)(10). Pub. L. 96-39, §807(a)(28)(C), (D), substituted “distilled spirits operations” for “distillery operations”.

Subsec. (a)(11). Pub. L. 96-39, §807(a)(28)(D), added par. (11).

Subsec. (b)(4) to (8). Pub. L. 96-39, §807(a)(28)(E), added par. (4) and redesignated former pars. (4) to (7) as (5) to (8), respectively.

1977—Subsec. (a)(9). Pub. L. 95-176, §3(a), substituted provisions for withdrawal of distilled spirits from bonded premises without payment of tax where the distilled spirits are bottled in bond for export or are returned to bonded premises for transfer (for the purpose of storage pending exportation) to any customs bonded warehouse for exportation and requiring the transferred distilled spirits to be entered, stored, and accounted for, for prior provision for tax free withdrawals for use as samples in making tests or laboratory analyses.

Subsec. (a)(10). Pub. L. 95-176, §4(a), added par. (10).

Subsec. (b)(7). Pub. L. 95-176, §3(d), added par. (7).

1976—Subsec. (a). Pub. L. 94-455 struck out “or his delegate” after “Secretary” in introductory provisions and struck out “or Territory” after “State” in par. (2).

1969—Subsec. (a)(3)(A). Pub. L. 91-172 substituted “section 170(b)(1)(A)(ii)” for “section 503(b)(2)”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2020 AMENDMENT

Pub. L. 116-136, div. A, title II, §2308(b), Mar. 27, 2020, 134 Stat. 359, provided that: “The amendments made by this section [amending this section] shall apply to distilled spirits removed after December 31, 2019.”

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective July 18, 1984, see section 456(c) of Pub. L. 98-369, set out as an Effective Date note under section 5101 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-223 effective on first day of first calendar month beginning more than 60 days after Apr. 2, 1980, see section 232(h)(3) of Pub. L. 96-223, set out as an Effective Date note under section 5181 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-39 effective Jan. 1, 1980, see section 810 of Pub. L. 96-39, set out as a note under section 5001 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95-176 effective on first day of first calendar month beginning more than 90 days after Nov. 14, 1977, see section 7 of Pub. L. 95-176, set out as a note under section 5003 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1905(c)(2) of Pub. L. 94-455 effective on first day of first month which begins more than 90 days after Oct. 4, 1976, see section 1905(d) of Pub. L. 94-455, set out as a note under section 5005 of this title.

EFFECTIVE DATE OF 1969 AMENDMENT

Amendment by Pub. L. 91-172 effective Jan. 1, 1970, see section 101(k)(1) of Pub. L. 91-172, set out as an Effective Date note under section 4940 of this title.

APPLICATION OF OTHER LAWS

Pub. L. 116-136, div. A, title II, §2308(c), Mar. 27, 2020, 134 Stat. 359, provided that: “Any distilled spirits or product described in paragraph (14) of section 5214(a) of the Internal Revenue Code of 1986 (as added by this section) shall not be subject to any requirements related to labeling or bulk sales under—

“(1) section 105 or 106 of the Federal Alcohol Administration Act (27 U.S.C. 205, 206); or

“(2) section 204 of the Alcoholic Beverage Labeling Act of 1988 (27 U.S.C. 215).”

§ 5215. Return of tax determined distilled spirits to bonded premises

(a) General rule

Under such regulations as the Secretary may prescribe, distilled spirits on which tax has been determined or paid may be returned to the bonded premises of a distilled spirits plant but only for destruction, denaturation, redistillation, reconditioning, or rebottling.

(b) Applicability of chapter to distilled spirits returned to a distilled spirits plant

All provisions of this chapter applicable to distilled spirits in bond shall be applicable to distilled spirits returned to bonded premises under the provisions of this section on such return.

(c) Return of bottled distilled spirits for relabeling and reclosing

Under such regulations as the Secretary shall prescribe, bottled distilled spirits withdrawn from bonded premises may be returned to bonded premises for relabeling or reclosing, and the tax under section 5001 shall not again be collected on such spirits.

(d) Cross reference

For provisions relating to the abatement, credit, or refund of tax on distilled spirits returned to a distilled spirits plant under this section, see section 5008(c).

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1364; amended Pub. L. 89-44, title VIII, §805(c), June 21, 1965, 79 Stat. 161; Pub. L. 91-659, §2(c), Jan. 8, 1971, 84 Stat. 1964; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 95-176, §2(a), Nov. 14, 1977, 91 Stat. 1363; Pub. L. 96-39, title VIII, §807(a)(29), July 26, 1979, 93 Stat. 285; Pub. L. 98-369, div. A, title IV, §454(c)(7), July 18, 1984, 98 Stat. 821.)

Editorial Notes

PRIOR PROVISIONS

A prior section 5215, act Aug. 16, 1954, ch. 736, 68A Stat. 640, related to exemption of distillers of fruit brandy from certain requirements, prior to the general revision of this chapter by Pub. L. 85-859. See sections 5201(c), 5312(a), (c), 5373(a) and 5562 of this title.

AMENDMENTS

1984—Subsec. (c). Pub. L. 98-369 substituted “reclosing” for “restamping” in heading and text.

1979—Pub. L. 96-39 amended section generally thereby authorizing the return of distilled spirits to the bonded premises of the distilled spirits plant for certain enumerated purposes except mere storage.

1977—Subsec. (a). Pub. L. 95-176 reenacted existing provisions but struck out last sentence relating to applicability of chapter to distilled spirits returned to bonded premises, which was covered in subsec. (d).

Subsecs. (b), (c). Pub. L. 95-176 added subsecs. (b) and (c) and redesignated former subsec. (b) as (e).

Subsec. (d). Pub. L. 95-176 redesignated last sentence of former subsec. (a) as subsec. (d) and inserted introductory phrase “Except as otherwise provided in this section.”

Subsec. (e). Pub. L. 95-176 redesignated former subsec. (b) as par. (1) and added par. (2).

1976—Subsec. (a). Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

1971—Subsec. (a). Pub. L. 91-659, §2(c)(1), struck out requirements that withdrawn distilled spirits be returned when found unsuitable, in bulk containers, be-