

# *Welcome, MBAA !*

*Please Note: This information is being offered to help the public understand and comply with the laws and regulations that the Alcohol and Tobacco Tax and Trade Bureau administers. It is not intended to establish any new, or change any existing, definitions, interpretations, standards, or procedures regarding those laws and regulations.*

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TTB Investigator  
Western II District

# Overview

- Who /where/ why we are
- Who to call
- Helpful Hints for Formulas and Labels

## Who and Why ?

- Formerly ATF
- Collect excise taxes
- Regulate production, labeling, advertising of alcoholic beverages
- Divided into components by function

## Most Relevant to You:

- HQ Operations are:
- Advertising, Labeling and Formulation Division (ALFD)
- Regulations and Rulings
- Scientific Services

## Most Relevant to You: (continued)

- Field Operations are:
  - National Revenue Center (NRC)
  - Tax Audit Division (TAD)
  - Tobacco and Alcohol Enforcement Division (TAED)
  - Trade Investigations Division (TID)

## Locally:

- Western I District is Central, Southern CA
- Western II District is Oregon, Washington, N. California, Alaska, Hawaii.
- Mountain District includes Idaho, Montana
- Field Investigators cover those areas

## Where ?

- Western I TID-Sacramento, CA
- 513 684 2481
- Western II TID-Sacramento, CA
- 513 684 2491
  
- Mountain District-St Paul, MN
- 513 684 2730



# Formulas

- WHAT ?-used to be SOPs
- Essentially a 'recipe' for your product
- How you make it
- What you put in it
- When you put it in
- Required even if NOT selling in interstate commerce

## 27 CFR 25.55-Formulas Required for:

- Products to which alcoholic flavors/ingredients are added (except hops extract)
- Products to which colors/flavors are added

## Formulas Required for:

- Products to which fruit/fruit juice/concentrate/herbs, spices/honey/maple syrup/other food products are added
- Products made “non traditionally”
- Sake

# Formulas

- Need separate formula for each product
- 1 formula can cover base for multiple products
- Must be filed and approved before begin producing
- No formula for r & d but must get approval before marketing

## Formulas

- Remain valid until  
superseded/surrendered/revoked/  
terminated

Supersede-replace old one

Changes-submit new one

# FORMULAS

- Not sure you need one ? Can get a determination/exemption from ALFD for processes/materials (27 CFR 25.55f)
- Submit on letterhead to:  
Advertising, Labeling and Formulation  
Division (ALFD)  
1310 G Street NW  
Washington DC 20220

## Helpful Hints

- Yield of batch in barrels
- List all ingredients by quantity
- Describe how you make it
- When each ingredient is added
- Information about colors/flavors used (name/address of manufacturer, flavor name, etc)

## Formula Hints

- Provide botanical name (genus and species) of herbs, plant extracts used when submitting
- Examples are available
- TTB considers this information to be "trade secrets"-and will protect just like tax info



## Formula Hints

- Use ranges when ever possible
- Make sure all ingredients are GRAS
- Allow plenty of time
- Provide Flavor Ingredient Data Sheet
  
- Beware of flavors containing alcohol-  
MAY affect tax rate

## Peer Hint: FDA Contacts

- GRAS/FDA Site: 21 CFR Part 172 (172.510 lists herbs and whatnot)
- <http://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/CFRSearch.cfm?CFRPart=172>
- GRAS Notice Inventory:
- <http://www.accessdata.fda.gov/scripts/fcn/fcnNavigation.cfm?rpt=grasListing>

# Industry Circular 2008-3

## Effective 1/3/2006

- **Products with 6% ABV or less:** no more than 49 % of the alcohol content may come from added flavors/non beverage ingredients containing alcohol
- At least 51% of the ABV must be the result of brewing-fermentation of traditional ingredients (barley malt, etc).
- EX: 5% ABV- up to 2.45 abv from flavor ok, at least 2.55% abv from brew process

Effective 1/3/2006

- **Products with more than 6 % ABV:**  
No more than 1.5% of the volume of the finished product may consist of alcohol from added flavors/non beverage ingredients.

## Meet the Standard ?

- Taxed and classified as a malt beverage product, \$ 7 or \$ 18 per barrel



## Don't meet the standard ?

- Taxed and classified as a distilled spirits product
- \$ 13.50 per proof gallon



## Common problems

- Forgot to sign the form (TTB F 5100.51)
- Did not list a formula # in sequence
- Alcohol from flavors not stated
- No quantitative list of ingredients
- No method of manufacture
- No Power of Attorney

## Minor Corrections

- Can be done by phone or FAX
- Minor:
  - Formula #
  - Drawback number for a flavor
  - Flavor producers name



## *I must say...* Mandatory Marks/Labels

- 27 CFR 7-FAA-Labeling, COLAs
- 27 CFR 16-Health Warning Labels
- 27 CFR 25-Beer Regs-Required marks

# COLAS

- Certificates of Label Approval (COLAs)
- Mandated by FAA Act
- Required for containers (bottles/can/kegs) which are sold/shipped across state lines

AND

If getting a state required label approval

## Barrel/Keg marks

- 27 CFR 25.141-Mandatory
- Brewers name/Trade name
- Place of production
- Keg labels/Tap covers- need a COLA if the state requires one
- Government Warning Statement

# Bottles/Cans-Mandatory 27 CFR 7.22

BRAND LABEL

ANY Label

Brand name

Alc. Content (optional)

Class

FD & C Yellow # 5

Name/Address

Saccharine Disclosure

Net Contents

Aspartame Declaration

Sulfite Declaration

Health Warning

# MANDATORY

- Brand name-name under which marketed
- Class-specific identity-beer, ale, porter, etc
- Name/Address-city and state of the bottler

# Alcohol Content

- MANDATORY on the label if ANY alcohol derived from added flavors or non beverage ingredients (other than hops extract) containing alcohol

(Unless state law prohibits)

Otherwise OPTIONAL unless state law requires or prohibits.

# MANDATORY

- Net Contents-in US measures-ounce, pint
- Type size 1mm to 3 mm-by package size

# Health Warning Statement

- 27 CFR 16
- Very specific phrasing/size/punctuation
- Type size depends on package size 1-3 mm
- Must be separate and apart from all other label text
- “Government Warning” in bold, caps
- Legible/completely contrasting
- \$ 11,000 fine



# HELP !!!

ALFD (202) 453-2250 (phone)

866 927-2533

(202) 453-2984(fax)

E-MAIL: [alfd@ttb.treas.gov](mailto:alfd@ttb.treas.gov)

## More Help:

- [Industryanalyst.beer@ttb.gov](mailto:Industryanalyst.beer@ttb.gov)
- [ttbquestions@ttb.treas.gov](mailto:ttbquestions@ttb.treas.gov)
- [RegulationsInquiries@ttb.gov](mailto:RegulationsInquiries@ttb.gov)
- [Beer&Brewing@ttb.gov](mailto:Beer&Brewing@ttb.gov)
- [FormulationandCustomerService@ttb.gov](mailto:FormulationandCustomerService@ttb.gov)

- Label Approvals-Kent "Battle" Martin
- Formulas-processed by company name
- A-C Shonda Geddie
- D-L Michael Warren
- M-Z Stephen Robey

# Any questions ?

- Thanks !

