

development purposes with regard to beer or brewery operations. Nothing in this section shall be construed as authority to waive the filing of any bond or the payment of any tax provided for in this chapter.

(Added Pub. L. 91-673, §4(a), Jan. 12, 1971, 84 Stat. 2057; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

#### AMENDMENTS

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

#### EFFECTIVE DATE

Section effective on first day of first calendar month which begins more than 90 days after Jan. 12, 1971, see section 5 of Pub. L. 91-673, set out as an Effective Date of 1971 Amendment note under section 5056 of this title.

### § 5418. Beer imported in bulk

Beer imported or brought into the United States in bulk containers may, under such regulations as the Secretary may prescribe, be withdrawn from customs custody and transferred in such bulk containers to the premises of a brewery without payment of the internal revenue tax imposed on such beer. The proprietor of a brewery to which such beer is transferred shall become liable for the tax on the beer withdrawn from customs custody under this section upon release of the beer from customs custody, and the importer, or the person bringing such beer into the United States, shall thereupon be relieved of the liability for such tax.

(Added Pub. L. 105-34, title XIV, §1421(a), Aug. 5, 1997, 111 Stat. 1049.)

#### EFFECTIVE DATE

Pub. L. 105-34, title XIV, §1421(c), Aug. 5, 1997, 111 Stat. 1049, provided that: “The amendments made by this section [enacting this section] shall take effect on the 1st day of the 1st calendar quarter that begins at least 180 days after the date of the enactment of this Act [Aug. 5, 1997].”

### Subchapter H—Miscellaneous Plants and Warehouses

Part I.	Vinegar plants.
II.	Volatile fruit-flavor concentrate plants.
[III.]	Repealed.]

#### PRIOR PROVISIONS

A prior subchapter H consisted of parts I to III, prior to the general revision of this chapter by Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1313.

#### AMENDMENTS

1979—Pub. L. 96-39, title VIII, §807(b)(9), July 26, 1979, 93 Stat. 291, struck out item relating to Part III “Manufacturing bonded warehouses” in table of Parts comprising Subchapter H.

### PART I—VINEGAR PLANTS

Sec. 5501.	Establishment.
5502.	Qualification.
5503.	Construction and equipment.
5504.	Operation.
5505.	Applicability of provisions of this chapter.

#### PRIOR PROVISIONS

A prior part I consisted of sections 5501 and 5502, prior to the general revision of this chapter by Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1313.

### § 5501. Establishment

Plants for the production of vinegar by the vaporizing process, where distilled spirits of not more than 15 percent of alcohol by volume are to be produced exclusively for use in the manufacture of vinegar on the premises, may be established under this part.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1390.)

#### PRIOR PROVISIONS

A prior section 5501, act Aug. 16, 1954, ch. 736, 68A Stat. 677, made a cross reference to provisions pertaining to establishment and operation of vinegar factories, prior to the general revision of this chapter by Pub. L. 85-859.

Provisions similar to those comprising this section were contained in prior section 5216(a)(1), act Aug. 16, 1954, ch. 736, 68A Stat. 640, prior to the general revision of this chapter by Pub. L. 85-859.

#### EFFECTIVE DATE

Section effective July 1, 1959, see section 210(a)(1) of Pub. L. 85-859, set out as a note under section 5001 of this title.

### § 5502. Qualification

#### (a) Requirements

Every person, before commencing the business of manufacturing vinegar by the vaporizing process, and at such other times as the Secretary may by regulations prescribe, shall make application to the Secretary for the registration of his plant and receive permission to operate. No application required under this section shall be approved until the applicant has complied with all requirements of law, and regulations prescribed by the Secretary, in relation to such business. With respect to any change in such business after approval of an application, the Secretary may by regulations authorize the filing of written notice of such change or require the filing of an application to make such change.

#### (b) Form of application

The application required by subsection (a) shall be in such form and contain such information as the Secretary shall by regulations prescribe to enable him to determine the identity of the applicant, the location and extent of the premises, the type of operations to be conducted on such premises, and whether the operations will be in conformity with law and regulations.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1390; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

#### PRIOR PROVISIONS

A prior section 5502, act Aug. 16, 1954, ch. 736, 68A Stat. 677, related to distilled vinegar, prior to the general revision of this chapter by Pub. L. 85-859.

Provisions similar to those comprising subsec. (a) of this section were contained in prior section 5216(a)(1), act Aug. 16, 1954, ch. 736, 68A Stat. 640, prior to the general revision of this chapter by Pub. L. 85-859.

#### AMENDMENTS

1976—Subsecs. (a), (b). Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

### § 5503. Construction and equipment

Plants established under this part for the manufacture of vinegar by the vaporizing proc-

ess shall be constructed and equipped in accordance with such regulations as the Secretary shall prescribe.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1391; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

PRIOR PROVISIONS

Provisions similar to those comprising this section were contained in prior sections 5216(a)(1) and 5552, act Aug. 16, 1954, ch. 736, 68A Stat. 640, 680, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

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

§ 5504. Operation

(a) General

Any manufacturer of vinegar qualified under this part may, under such regulations as the Secretary shall prescribe, separate by a vaporizing process the distilled spirits from the mash produced by him, and condense the vapor by introducing it into the water or other liquid used in making vinegar in his plant.

(b) Removals

No person shall remove, or cause to be removed, from any plant established under this part any vinegar or other fluid or material containing a greater proportion than 2 percent of proof spirits.

(c) Records

Every person manufacturing vinegar by the vaporizing process shall keep such records and file such reports as the Secretary shall by regulations prescribe of the kind and quantity of materials received on his premises and fermented or mashed, the quantity of low wines produced, the quantity of such low wines used in the manufacture of vinegar, the quantity of vinegar produced, the quantity of vinegar removed from the premises, and such other information as may by regulations be required. Such records, and a copy of such reports, shall be preserved as regulations shall prescribe, and shall be kept available for inspection by any internal revenue officer during business hours.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1391; amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

PRIOR PROVISIONS

Provisions similar to those comprising subsecs. (a) and (b) of this section were contained in prior section 5216(a)(1)(2), act Aug. 16, 1954, ch. 736, 68A Stat. 640, prior to the general revision of this chapter by Pub. L. 85-859.

AMENDMENTS

1976—Subsecs. (a), (c). Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

§ 5505. Applicability of provisions of this chapter

(a) Tax

The taxes imposed by subchapter A shall be applicable to any distilled spirits produced in violation of section 5501 or removed in violation of section 5504(b).

(b) Prohibited premises

Plants established under this part shall not be located on any premises where distilling is prohibited under section 5601(a)(6).

(c) Entry and examination of premises

The provisions of section 5203(b), (c), and (d), relating to right of entry and examination, furnishing facilities and assistance, and authority to break up grounds or walls, shall be applicable to all premises established under this part, and to all proprietors thereof, and their workmen or other persons employed by them.

(d) Registration of stills

Stills on the premises of plants established under this part shall be registered as provided in section 5179.

(e) Installation of meters, tanks, and other apparatus

The provisions of section 5552 relating to the installation of meters, tanks, and other apparatus shall be applicable to plants established under this part.

(f) Assignment of internal revenue officers

The provisions of section 5553(a) relating to the assignment of internal revenue officers shall be applicable to plants established under this part.

(g) Authority to waive records, statements, and returns

The provisions of section 5555(b) relating to the authority of the Secretary to waive records, statements, and returns shall be applicable to records, statements, or returns required by this part.

(h) Regulations

The provisions of section 5556 relating to the prescribing of regulations shall be applicable to this part.

(i) Penalties

The penalties and forfeitures provided in sections 5601(a)(1), (6), and (12), 5603, 5615(1) and (4), 5686, and 5687 shall be applicable to this part.

(j) Other provisions

This chapter (other than this part and the provisions referred to in subsection (a), (b), (c), (d), (e), (f), (g), (h), (i) shall not be applicable with respect to plants established or operations conducted under this part.

(Added Pub. L. 85-859, title II, §201, Sept. 2, 1958, 72 Stat. 1391; amended Pub. L. 94-455, title XIX, §1905(b)(6)(E), Oct. 4, 1976, 90 Stat. 1823.)

PRIOR PROVISIONS

Provisions similar to those comprising subsecs. (a) to (i) 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:

Present subsecs.:	Prior sections
(a) .....	5216(a)(1).
(b) .....	5171.
(c) .....	5216(a)(3).
(d) .....	5174.
(e) .....	5552.
(f) .....	5553(a).
(g) .....	5555(b).
(h) .....	5556.
(i) .....	5601, 5607, 5608, 5686(b).