

**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 Chapters 32,51,52,53,68, and/or 78 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) Willamette Valley Vineyards, Inc. 8800 Enchanted Way Turner, Oregon 97392	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER \$35,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	5. SYSTEM CONTROL NUMBER(S) n/a
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ n/a	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

**8. CHARGE VIOLATIONS:**

The proponent allegedly:

1. Failed to timely and/or correctly pay certain federal excise tax and file certain federal excise tax returns in violation of 26 U.S.C. 5043 and 5061 and 27 C.F.R 24.270 and 24.310;
2. Failed to timely and correctly determine certain tax liability on daily removals in violation of 26 U.S.C. 5367 and 27 C.F.R 24.270 and 24.310;
3. Failed to accurately track and record certain removals or movement in inventory in violation of 26 U.S.C. 5367 and 27 C.F.R 24.308(a);
4. Failed to correctly claim the small producer tax credit in violation of 26 U.S.C. 5041(c);
5. Failed to timely file certain monthly reports of operation in violation of 26 U.S.C. 5367 and 27 C.F.R 24.20(a);
6. Failed to correctly complete certain monthly reports in violation of 26 U.S.C. 5367 and 27 C.F.R 24.20(b);
7. Failed to register a trade name on wholesaler's permit in violation of 26 U.S.C. 5356 and 27 C.F.R 24.112;
8. Failed to conduct or certify an annual inventory in violation of 26 U.S.C. 5367 and 5369 and 27 C.F.R 24.313;
9. Exceeded permissible loss allowance for certain wine in violation of 26 U.S.C. 5367 and 5370 and 27 C.F.R 24.65, 24.266(b)(2) and 24.267;
10. Failed to register for certain special occupational tax in violation of 26 U.S.C. 5081 and 27 C.F.R 24.50;
11. Failed to maintain sufficient bond coverage in violation of 26 U.S.C. 5354 and 27 C.F.R 24.146;
12. Impermissibly used tax free spirits for sterilization purposes in violation of 26 U.S.C. 5373 and 5382 and 27 C.F.R 24.234; and
13. Failed to maintain and complete certain records of taxable removals in violation of 26 U.S.C. 5367 and 27 C.F.R 24.310.

**BUSINESS IN WHICH ENGAGED:**

The proponent is a duly qualified bonded winery.

**DATE OR PERIOD AND LOCATION OF VIOLATIONS:**

On or about and between January 2, 2004 and December 31, 2006 at the proponent's premises located at 8800 Enchanted Way, Turner, OR 97392.

**AMOUNT AND TERMS OF OFFER:**

The proponent has submitted an offer of \$35,000.00 in compromise of the above violations incurred under the Federal Alcohol Administration Act and the Internal Revenue Code.

**RECOMMENDATION:**

The Director, National Revenue Center recommends acceptance of the offer. In view of potential litigation hazards and doubt as to liability, acceptance of this Offer in Compromise, as submitted, is warranted.

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 Assistant Administrator  
Field Operations

11. DATE  
5/16/08