



## Permit Particulars for Alcohol Wholesalers and Importers

Presented by  
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5/2008



## Overview

- Original qualification
- TTB screening and investigative process
- Reporting changes after qualification
- Changes of control and/or proprietorship
- Frequently Asked Questions (FAQs)
- Presentation referrals

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# Original Qualification



## Original Qualification

- **TTB Form 5100.24** — Application for Basic Permit Under the Federal Alcohol Administration Act
- **TTB Form 5630.5** — Special Tax Registration and Return Alcohol and Tobacco
- **TTB Form 5100.31** — Application for and Certification/Exemption of Label/Bottle Approval (COLA) (Importer Only)

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# Original Qualification (Cont'd)

- Common Errors on Application:
  - Block 1 – Entity Name/State Organized
  - Block 4 – Operating Name
  - Block 5 – Labeling Trade Name
  - Block 8 – Titles/Source of Funds
  - Block 9 – Social Security Number
  - Block 11 – Charges/Convictions
  - Block 12 – Title/Original Signature

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OMB NO. 1512-0069 (03/31/2002)

**DEPARTMENT OF THE TREASURY  
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS  
ALCOHOL ADMINISTRATION ACT**

**APPLICATION FOR BASIC PERMIT UNDER THE FEDERAL ALCOHOL ADMINISTRATION ACT**

1. FULL NAME AND PREMISES ADDRESS  
National Importers and Wholesalers, Inc.  
550 Main St., Room 8002  
Cincinnati, OH 45202

2. TELEPHONE NUMBER (513) 555-1212  
State in which organized for Corporations and Limited Liability Companies (LLC) (OID):

3. MAILING ADDRESS (if different from premises address)  
P. O. Box 850  
Cincinnati, OH 45202

4. EMPLOYER IDENTIFICATION NUMBER (EIN)  
(Local Social Security number is not acceptable)  
99-0000000

5. OPERATING NAME (BBA), if any  
National Importers and Wholesalers

6. LABELING TRADE NAME(S), if any  
International Importing Company

7. BUSINESS(ES) TO BE CONDUCTED AT PREMISES ADDRESS (check applicable to item)  
 DISTILLED SPIRITS PLANT (BEVERAGE)  
 DISTILLING  
 MALT BEVERAGES AND RELATED PRODUCTS  
 WINE  
 MALT BEVERAGES  
 IMPORTING INTO THE UNITED STATES  
 DISTILLED SPIRITS  
 WINE  
 MALT BEVERAGES  
 PURCHASING FOR RESALE AT WHOLESALE  
 DISTILLED SPIRITS  
 WINE  
 MALT BEVERAGES

8. REASON FOR THE APPLICATION:  
 NEW BUSINESS  
 CHANGE IN CONTROL (Actual or legal)  
 CHANGE IN OWNERSHIP  
 SUBMIT BASIC PARTIES WITH THIS APPLICATION  
 SUBMIT BASIC PARTIES WITH THIS APPLICATION  
 DATE OF CHANGE: \_\_\_\_\_  
 DATE OF CHANGE: \_\_\_\_\_  
 DATE OF CHANGE: \_\_\_\_\_  
 DATE OF CHANGE: \_\_\_\_\_

9. OWNER INFORMATION (List each owner of general partner, LLC member, or partner, or partner or officer and director, and shareholders with more than 10% voting stock. Each listed person must also attach the information in item 8.)

NAME	TITLE	% VOTING STOCK INTEREST (if applicable)	INVESTMENT IN BUSINESS (Item 8)	SOURCE OF FUNDS INVESTED (specify bank, etc. or specify street)
John D. Doe	President	50%	\$5,000.00	Source: Federal Savings Bank
Doris R. Doe	Vice President	50%	\$1,000.00	1101 Independence St., Cincinnati, OH 45203

10. COMPLETE FOR EACH PERSON LISTED IN ITEM 9:  
 a. FULL GIVEN NAME: Jonathan D. Doe  
 b. DATE AND PLACE OF BIRTH: Jan. 10, 1967 Anderson, Ohio  
 c. SOCIAL SECURITY OR EMPLOYER IDENTIFICATION NUMBER: 255-55-5555  
 d. ARE YOU A U.S. CITIZEN?  YES  NO  
 e. OTHER NAMES USED ( maiden name or nicknames, etc.):  
 MALE  FEMALE: Jon Smith  
 f. RESIDENCE (YOUR TO LAST FIVE YEARS):  
 555 Jersey Lane, Smithsonton, OH 45035  
 7489 Lincoln St., Apt. 9B, Midwest, OH 48842

ATF F 5100-24 (4-99) (Replaces ATF F 5100-9)

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Corp. officer info  
cont'd

Charges/  
Convictions

Title/Signature/Date

3. FULL GIVEN NAME Doris R. Doe	4. DATE AND PLACE OF BIRTH 12/17/70 Cincinnati, Ohio	5. SOCIAL SECURITY OR EMPLOYER IDENTIFICATION NUMBER 888-88-8888	6. ARE YOU A U.S. CITIZEN? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
7. OTHER NAMES USED (Alphabetical, last, first, middle initial, etc.) <input type="checkbox"/> MALE <input type="checkbox"/> FEMALE (Circle) Doris Ann Smith			
8. RESIDENCE(S) OVER THE LAST FIVE YEARS 8892 S. Independence Circle Tri-County, OH 45221			
9. FULL GIVEN NAME	10. DATE AND PLACE OF BIRTH	11. SOCIAL SECURITY OR EMPLOYER IDENTIFICATION NUMBER	12. ARE YOU A U.S. CITIZEN? <input type="checkbox"/> YES <input type="checkbox"/> NO
13. OTHER NAMES USED (Alphabetical, last, first, middle initial, etc.) <input type="checkbox"/> MALE <input type="checkbox"/> FEMALE			
14. RESIDENCE(S) OVER THE LAST FIVE YEARS			
15. FULL GIVEN NAME	16. DATE AND PLACE OF BIRTH	17. SOCIAL SECURITY OR EMPLOYER IDENTIFICATION NUMBER	18. ARE YOU A U.S. CITIZEN? <input type="checkbox"/> YES <input type="checkbox"/> NO
19. OTHER NAMES USED (Alphabetical, last, first, middle initial, etc.) <input type="checkbox"/> MALE <input type="checkbox"/> FEMALE			
20. RESIDENCE(S) OVER THE LAST FIVE YEARS			
21. HAS THE APPLICANT OR ANY PERSON LISTED FOR ITEMS 9 OR 10 EVER BEEN DENIED A PERMIT, LICENSE OR OTHER AUTHORIZATION TO ENGAGE IN ANY BUSINESS TO MANUFACTURE, DISTRIBUTE, IMPORT, SELL OR USE ALCOHOL PRODUCTS (ownership or partnership BY ANY GOVERNMENT AGENCY (federal, state, local or foreign) OR HAD SUCH PERMIT, LICENSE OR OTHER AUTHORIZATION REVOKED, SUSPENDED OR OTHERWISE TERMINATED)? <input type="checkbox"/> YES (State details of each event on a separate sheet.) <input checked="" type="checkbox"/> NO			
22. HAS THE APPLICANT OR ANY PERSON LISTED FOR ITEMS 9 OR 10 EVER BEEN ARRESTED FOR, CHARGED WITH, OR CONVICTED OF ANY CRIME UNDER FEDERAL, STATE OR FOREIGN LAWS other than traffic violations or convictions that are not felonies under Federal or State law? <input type="checkbox"/> YES (State details of each event on a separate sheet.) <input checked="" type="checkbox"/> NO (Jonathan Doe charged with DUI 11/12/2001 - Attended driving school and paid \$500 fine.)			
<b>ATF MAY REQUIRE additional information to process this application.</b> If you are applying for a basic permit to operate a distilled spirits plant or distillery you must also file additional forms and information required under the Internal Revenue Code. <b>OPERATION WITHOUT A PERMIT.</b> Criminal and administrative actions may be taken against persons engaged in a business listed in Item 6 of this form if it is not conducted pursuant to an FAA ATF basic permit.			
APPLICANT'S DECLARATION: I, the undersigned, declare that I have examined this application, including accompanying statements, and to the best of my knowledge and belief, it is true, correct and complete. The applicant will immediately notify the ATF official with whom this application is filed of any change in ownership, management, or control of the applicant, or the case of a corporation, any change in the officers, directors, or persons holding 10 percent or more of the corporate stock). The business for which this application is made does not violate the law of the State in which the business will be conducted. In addition, if this application is approved, the applicant will conduct operations within a reasonable period of time and maintain such operations in conformity with Federal law.			
23. APPLICANT'S SIGNATURE (Sole owner, partner, corporate officer, LLC member or manager, or if designated agent, submit ATF F 5000.8)  <i>Doris R. Doe</i>	24. TITLE OF PERSON SIGNING Vice President	25. DATE August 10, 2004	
26. E-MAIL (INTERNET) ADDRESS (optional)			


ATF F 5002.4 (4/00)

## Original Qualification (Cont'd)

- These additional forms are only submitted as needed:
  - TTB Form 5000.8 — Power of Attorney
  - SS-4 Employer Identification Number Form
  - TTB Form 5000.9 Personnel Questionnaire
  - Letter of Intent from Foreign Supplier (Importer Only)
  - A legible photocopy of the Driver's License or official State ID card of the primary contact person who will be interviewed by phone by TTB regarding the application

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# TTB Screening and Investigative Process



## TTB Screening and Investigative Process

- Application is submitted to National Revenue Center (NRC) in Cincinnati, OH
- Specialist will review application and background check results
- Specialist will contact you to correct any errors and obtain any missing information

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## TTB Screening and Investigative Process (Cont'd)

- Specialist will conduct an in-depth phone interview
- Application may be referred to Trade Investigations Division for onsite inspection
- Recommendation and decision on final action (approval, denial, abandonment) made and taken by NRC

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## Reporting Changes After Original Qualification



## Reporting Changes After Original Qualification

- Filed with NRC on either Letterhead or TTB Form 5100.18
  - Change of Address / Location
  - Change of Name / Operating Name
  - Addition / Deletion of Trade Names
  - Addition / Deletion of Commodities
  - Addition / Deletion of Officers / Directors / Owners
- Must be signed by current officer or someone with Power of Attorney on file

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## Changes in Control and/or Ownership



## Changes in Control and/or Ownership

- Change in control occurs when there is a change in who holds controlling stock (over 50%)
- Change in ownership occurs when a company's business is purchased, and includes changes in corporate structure (sole owner to corporation, corporation to LLC, etc.)
- Must file a new TTB Form 5100.24 within 30 days of change

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## Frequently Asked Questions





## Frequently Asked Questions

- How Long Does it Take to Get My Permit?
  - The NRC tries to process all applications within 60 days of receipt
  - Could take longer if application has problems or application is investigated

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## Frequently Asked Questions (Cont'd)

- Can I Import and Wholesale?
  - Okay at Federal level
  - State issue — Check with Alcohol Beverage Control (ABC) Board
  - Federal law cannot usurp State law; must be compliant with all State laws and local ordinances

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## Frequently Asked Questions (Cont'd)

- Are There Other Issues I Should be Concerned With?
  - State ABC licenses
  - FDA — Bioterrorism Act ([www.fda.gov](http://www.fda.gov)) requires all importers to register their products
  - Zoning — you must be in compliance with local zoning ordinances
  - Bottom line — Federal law cannot usurp State law; must be compliant with all State laws and local ordinances

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## Frequently Asked Questions (Cont'd)

- Can I Operate Out of My House?
  - Okay at Federal level
  - State ABC may or may not allow it
  - Bottom line — must be compliant with all State laws and local ordinances

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## Frequently Asked Questions (Cont'd)

- Can I Sell Into All 50 States?
  - Federal basic permit allows you to sell into all States
  - BUT — State law may allow/prevent you depending on your circumstances
  - ALWAYS — check with each State you plan on selling in
  - Alcohol Beverage Control Boards link at [www.ttb.gov](http://www.ttb.gov) (Distilled Spirits Tab > Alcohol Beverage Control Boards under Quick Links)

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## Frequently Asked Questions (Cont'd)

### What Federal Excise Tax Do I Owe and Who Do I Pay It To?

- Wholesaler – already paid by importer or manufacturer
- Importer – pay to U.S. Customs
- Distilled Spirits: \$13.50 proof gallon
- Beer: \$18.00 per barrel
- Wine:
  - $\leq 14\%$  — \$1.07 wg
  - $>14\% \leq 21\%$  — \$1.57 wg
  - $>21\% \leq 24\%$  — \$3.15 wg
  - Artificially carbonated — \$3.30 wg
  - Champagne and Sparkling — \$3.40 wg

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## Frequently Asked Questions (Cont'd)

- What are the Requirements for Hard Cider?
  - A still wine derived primarily from apples or apple concentrate and water
  - Containing no other fruit products, and containing at least ½ of 1%, and less than 7%, alcohol by volume
  - FET - 22.6 cents per wine gallon
  - No Federal basic permit required to wholesale or import

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## Frequently Asked Questions (Cont'd)

- What About Recordkeeping?
  - Receipts and records must be retained for not less than three years
  - Available, during business hours, for investigation
  - Part 27 – Importers – Subpart I
    - Sections 133 (general) - 137 (retention)
  - Part 31 – Alcohol Beverage Dealers – Subpart O
    - Sections 221 (general) - 237 (retention)

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## Frequently Asked Questions (Cont'd)

- Do Wholesalers Ever Need a COLA?
  - No
  - Importer or manufacturer applies for label approval
  - Custom Crush – Winery obtains COLA

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## Frequently Asked Questions (Cont'd)

- Can I File for a COLA Before I Get my Importer Permit?
  - No, you must obtain a basic permit first
  - COLA application asks for your permit number

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## Frequently Asked Questions (Cont'd)

- Where Are my Permits and COLAs Processed?
  - Permits are processed at the NRC
  - COLA applications are processed by the Advertising, Labeling and Formulation Division (ALFD) at TTB Headquarters in Washington, D.C.

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## Frequently Asked Questions (Cont'd)

- How much Special Occupational Tax (SOT) Do I Owe?
  - Importers and wholesalers are no longer required to pay SOT
  - Still required to file TTB Form 5630.5, Special Tax Registration and Return, when beginning business and by each July 1

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## Frequently Asked Questions (Cont'd)

- Do I Renew my Basic Permit?
  - No, basic permits are not renewed
  - Permits stay in effect until you voluntarily surrender them, or there is a change in ownership or control

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## Frequently Asked Questions (Cont'd)

- How Can I Access Federal Laws and Regulations?
  - On [www.ttb.gov](http://www.ttb.gov) under Information by Topic, click on United States Code or Code of Federal Regulations under Laws and Regulations
  - U.S. Code – Title 26 Internal Revenue Code
  - U.S. Code – Title 27 Intoxicating Liquors  
Chapter 8 – FAA Act
  - CFR Title 27 – Alcohol, Tobacco and Firearms

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## Frequently Asked Questions (Cont'd)

- Which Regulations Pertain to Me?
  - Part 1 – Basic permit requirements under the FAA Act
  - Part 27 – Importation of distilled spirits, wines and beer
  - Part 28 – Exportation of Alcohol
  - Part 31 – Alcohol Beverage Dealers

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## Frequently Asked Questions (Cont'd)

- Do I Need a Basic Permit for my Storage Warehouse?
  - If you just store product there, you are not required to get a basic permit
  - If you make sales or invoice there, you would then be required to obtain a basic permit for that location

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## Frequently Asked Questions (Cont'd)

- Can I Direct Ship into Other States?
  - This is a State issue; you must check with each State's Alcoholic Beverage Commission you ship into or through
  - See Industry Circular 1996-3

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## Frequently Asked Questions (Cont'd)

- What about Internet Sales?
  - This is also a State issue
  - See Industry Circular 1996-3

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## Frequently Asked Questions (Cont'd)

- Where Can I Get the Forms I Need?
  - On [www.ttb.gov](http://www.ttb.gov), click on the FORMS link on the left side of our homepage
  - Then, “View All TTB Forms” or select by “Commodity” or “Frequently Requested TTB Forms”

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## Frequently Asked Questions (Cont'd)

- Do I Need a Power of Attorney?
  - Yes, if you are not listed on the Application for Basic Permit in blocks 8 and 9 and you wish to sign documents or act on behalf of the ownership
  - No signing authority is required for importers or wholesalers if you are listed on TTB Form 5100.24, Application for Basic Permit

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- We recommend that you attend some of the other presentations provided that relate to these industries:
  - Get With the Times With COLAs Online!
  - Label Perfection!
  - What to Expect During a TTB Audit or Investigation
  - Federal Alcohol Administration Act Trade Practice Law and Regulations
  - Others (FDA, Exportation, Pre-Import, State Reps)

- Original qualification
- TTB screening and investigative process
- Reporting changes after qualification
- Changes of control and/or proprietorship
- Frequently asked questions
- Presentation referrals



## Contact Us

National Revenue Center:  
1-877-882-3277

Brewery & Wholesaler / Importer  
Applications Section:  
(513) 684-3337

[www.ttb.gov](http://www.ttb.gov)

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