

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)

Archer Daniels Midland Company
4666 Faries Parkway
Decatur, Illinois 62526

OFFER IN COMPROMISE

2. ORIGINATING OFFICE

TAD

3. AMOUNT OF OFFER

\$3,000,000.00

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)

\$ 48,600,156.95

7. TAXPAYER IDENTIFICATION NUMBER

[REDACTED]

8. CHARGE
VIOLATIONS:

[REDACTED]
The government alleged that between January, 2005 and December, 2006, Archer Daniels Midland Company (ADM) used non-taxpaid, undenatured spirits on its bonded premises and inaccurately reported such use of non-taxpaid, undenatured spirits as production of spirits by redistillation, such use and incorrect reporting resulting in incorrect and/or untimely payment of federal excise tax in violation of 26 U.S.C. §§ 5001 and 5178(b) and 27 C.F.R. §§ 19.68 and 19.374.

[REDACTED]
The government alleged that between January, 2005 and December, 2006, ADM used spirits in the manufacture of products not for fuel use in violation of 26 U.S.C. § 5181 and 27 C.F.R. § 19.1002.

BUSINESS IN WHICH ENGAGED:

The proponent is engaged in business as a distilled spirits plant and an alcohol fuel plant.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:

Between January, 2005 and December, 2006, at the proponent's premises at 4666 Faries Parkway, Decatur, IL 62526 and at proponent's distilled spirits premises located at 1251 Beaver Channel Parkway, Clinton, Iowa.

AMOUNT AND TERMS OF OFFER:

The proponent has submitted an offer of \$3,000,000.00 in compromise of the alleged violations incurred under the Internal Revenue Code.

RECOMMENDATIONS:

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]
Assistant Administrator Field Office

11. DATE

9/22/08