

DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU ABSTRACT AND STATEMENT		NOT IN SUIT
For breifing offers in compromise of liabilities and/or violations incurred under Chapters 32, 51, 52, 53, 88, 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) Central Coast Wine Services 2717 Aviation Way Santa Maria, California 93455	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER \$25,000.00
	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 alleged violations arise under the Federal Alcohol Administration Act and the Internal Revenue Code. Specifically, the proponent allegedly:		
<ul style="list-style-type: none"> (1) failed to timely pay excise tax and file federal excise tax returns in violation of 26 U.S.C. §§ 5684, 6651 and 6656 and 27 CFR §§ 24.271 and 24.274; (2) failed to maintain proper record of breakages experienced in bottled inventory in violation of 26 U.S.C. § 5367 and 27 CFR §§ 24.75 and 24.308; (3) failed to properly or timely document proof of export of wine in violation of 26 U.S.C. § 5362 and 27 CFR §§ 28.124 and 28.250 - 28.253; (4) failed to conduct annual inventory and failed to track inventory losses in violation of 26 U.S.C. §§ 5367, 5368 and 5370 and 27 CFR §24.266(c); (5) failed to correctly claim small producer tax credit in violation of 26 U.S.C. § 5041(c) and 27 CFR § 24.278; (6) failed to maintain documentation of proper in bond transactions in violation of 26 U.S.C. § 5367 and 27 CFR §§ 24.280, 24.281 and 24.309; (7) failed to timely file amended application to establish wine premise operations after undergoing changes in violation of 26 U.S.C. §§ 5356 and 5365 and 27 CFR §§ 24.111, 24.120 and 24.131; (8) failed to comply with approved variance relating to segregation of tax paid wine in violation of 26 U.S.C. §§ 5356, 5361, 5363, 5365 and 5367 and 27 CFR § 24.135(d); (9) failed to conduct an annual inventory in violation of 26 U.S.C. §§ 5367 and 5369 and 27 CFR § 24.313; (10) failed to maintain complete records of taxable removals in violation of 26 U.S.C. § 5367 and 27 CFR §§ 24.310 and 24.300(d); (11) failed to timely record bulk wine processing records in violation of 26 U.S.C. § 5367 and 27 CFR § 24.300(b); (12) failed to maintain complete records of in bond transfers in violation of 26 U.S.C. § 5367 and 27 CFR § 24.309; (13) exceeded permissible loss of wine in excess of 6% and failed to file claim on excess loss in violation of 26 U.S.C. §§ 5367, 5369 and 5370 and 27 CFR §§ 24.266(b) and 24.65; and (14) maintained insufficient bond coverage in violation of 26 U.S.C. § 5354 and 27 CFR § 24.146. 		
BUSINESS IN WHICH ENGAGED: The proponent is a duly qualified bonded winery.		
DATE OR PERIOD AND LOCATION OF VIOLATIONS: On or about and between November 29, 2004 and April 30, 2006 at the proponent's premises located at 2717 Aviation Way, Santa Maria, CA 93455.		
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 <input checked="" type="checkbox"/> ACCEPT <input type="checkbox"/> REJECT the terms proposed.		
10. SIGNATURE AND TITLE [REDACTED] Deputy Asst. Administrator		11. DATE 5-20-08

Central Coast Wine Services
2717 Aviation Way
Santa Maria, CA 93455
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AMOUNT AND TERMS OF OFFER:

The proponent has submitted an offer of \$25,000.00 in compromise of the above violations incurred under the Federal Alcohol Administration Act and Internal Revenue Code.

RECOMMENDATION:

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