

**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)**

Cana's Feast Winery, LLC  
750 Lincoln Court  
Carlton, Oregon 97111

**OFFER IN COMPROMISE**

**2. ORIGINATING OFFICE**

TID

**3. AMOUNT OF OFFER**

\$10,000.00

**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 government alleges that Cana's Feast Winery, LLC:

- (1) bottled, labeled and removed wines from the premises without first obtaining a Certificate of Label Approval or Exemption (COLA) in violation of 27 U.S.C. § 205(e), 26 U.S.C. § 5367 and 27 C.F.R. §§ 4.50 and 24.258;
- (2) labeled and bottled certain wines without proper documentation to support blend percentage, vineyard and appellation label claims and failed to maintain adequate records of wine operations or production in violation of 27 U.S.C. § 205(e), 26 U.S.C. § 5367, and 27 C.F.R. §§ 4.23, 4.25, 4.39(a)(1), 4.39(m), 24.257 and 24.314;
- (3) failed to timely and correctly pay federal excise tax and to timely file federal excise tax returns on one or more occasions in violation of 26 U.S.C. §§ 5041, 5362 and 27 C.F.R. §§ 24.270 and 24.27;
- (4) failed to timely file certain monthly reports of wine premise operations in violation of 26 U.S.C. § 5367 and 27 C.F.R. § 24.300;
- (5) failed to notify TTB of certain changes in corporate officers, managing members and trade name in violation of 26 U.S.C. § 5356 and 27 C.F.R. §§ 24.120, 24.122, and 24.124;
- (6) failed to obtain an approved power of attorney for certain signing officials in violation of 26 U.S.C. § 5367 and 27 C.F.R. § 24.116;
- (7) stored taxpaid wine on bonded premises without notification or approval in violation of 26 U.S.C. § 5365 and 27 C.F.R. § 24.90;
- (8) bottled off bonded premises incurring taxable removals in violation of 26 U.S.C. § 5365 and 27 C.F.R. § 24.101; and
- (9) failed to maintain to TTB requirements bulk still wine records, conduct fill tests, identify or mark tanks, and to accurately measure the contents of tanks in violation of 26 U.S.C. §§ 5367, 5357, 5552, and 27 C.F.R. §§ 24.301(a), 24.255, 24.167, 24.168, and 24.170.

**BUSINESS IN WHICH ENGAGED:**

The proponent is engaged in business as a bonded winery.

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

On or about and between June 1, 2004 to June 1, 2007 at the proponent's premises located at 750 Lincoln Court, Carlton, Oregon 97111.

**AMOUNT AND TERMS OF OFFER:**

The proponent has submitted an offer of \$10,000.00 in compromise of the alleged violations incurred under the Internal Revenue Code and the Federal Alcohol Administration Act.

**RECOMMENDATIONS:**

The Director, National Revenue Center recommends acceptance of the offer. In view of potential litigation hazards, as well as 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**

9/29/08