



Department of the Treasury

Alcohol and Tobacco Tax and Trade Bureau



Press Release

For Immediate Release
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COLAS REVOKED FOR CERTAIN SEMI-GENERIC NAMES

Washington, D.C. - On March 10, 2006, the U.S. and the European Union (EU) signed an Agreement on Trade in Wine in which the U.S. committed to seek to change the legal status of certain semi-generic names to restrict their use solely to wine originating in the applicable EU member state, except as provided for under a "grandfather" provision. These names, along with Retsina, are: Burgundy, Claret, Chablis, Champagne, Chianti, Malaga, Marsala, Madeira, Moselle, Port, Rhine Wine or Hock, Sauterne, Haut Sauterne, Sherry, and Tokay. The "grandfather" provision excepts certain non-EU wines labeled with a semi-generic name or Retsina provided the applicable label was approved on a certificate of label approval (COLA) or certificate of exemption issued before March 10, 2006. For more details, see TTB Industry Circular 2006-1 on our web site at www.ttb.gov.

A legislative proposal that will effect the change in legal status of the EU semi-generic names and Retsina was included in Tax Relief and Health Care Act of 2006 that was enacted on December 20, 2006. Enactment of this legislation means that any COLA or certificate of exemption for a non-EU wine with a semi-generic name or Retsina that was not approved under the "grandfather" provision is subject to immediate revocation by operation of law.

How can you tell if your COLA or certificate of exemption is subject to revocation? You can tell by the qualification statement that appears on the COLA or certificate of exemption. Beginning March 10, 2006, the Alcohol and Tobacco Tax and Trade Bureau (TTB) earmarked those COLAs and certificates of exemption that would be affected if the legislative change occurred by qualifying them with the statement:

"As per the Agreement Between the U.S. and EC on Trade in Wine, the U.S. is seeking to change 26 U.S.C. 5388(c) regarding the use of semi-generic names and Retsina to limit their use to wines solely from the applicable EU member country unless used on a COLA prior to 03/10/2006. If enacted, this change will result in this certificate being revoked by operation of law (27 CFR 13.51)."

As a result of the recently-enacted law further use of any COLAs or certificates of exemption bearing the above qualification by TTB must cease. However, products which have been bottled or imported before December 20, 2006, may still be removed from bond.

Questions regarding this issue should be directed to the Advertising, Labeling and Formulation Division (ALFD). ALFD can be reached at (202) 927-8140 or toll free at 1-(866) 927-2533 or by e-mail at ALFD@TTB.gov.

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