



Department of the Treasury

Alcohol and Tobacco Tax and Trade Bureau



Announcement

April 30, 2012

Notice No. 127, Proposed Amendment to the Standards of Identity for Distilled Spirits (Cachaça Proposal)

In [Notice No. 127](#), a proposed rule published in the Federal Register on Monday, April 30, 2012, TTB proposes to amend the regulations setting forth the standards of identity for distilled spirits to include "Cachaça" as a type of rum and as a distinctive product of Brazil. TTB is making this proposal in response to requests from the Government of Brazil and subsequent discussions with the Office of the United States Trade Representative. Under a recently signed U.S.-Brazil agreement, if the United States adopts a final rule recognizing Cachaça as a type of rum that is a distinctive product of Brazil, then, in turn, Brazil will recognize Bourbon Whiskey and Tennessee Whiskey as distinctive products of the United States.

Under this proposal, products labeled as "Cachaça" imported into the United States would have to be made in Brazil in conformity to its laws and regulations. However, while Brazil allows Cachaça to have an alcohol content ranging from 38 to 48 percent alcohol by volume, the United States requires that rum be bottled at not less than 40 percent alcohol by volume, or 80 degrees proof. Therefore, under this proposal, any product labeled "Cachaça" imported into the United States also would have to conform to this minimum bottling proof requirement. A product bottled at below 40 percent alcohol by volume, or made in part with corn syrup, will fall outside the proposed type designation, but, depending on its manufacturing method, it could be labeled as a "diluted Cachaça" or a distilled spirits specialty product bearing a statement of composition. In addition, the proposed regulation will allow the word "Cachaça" to be spelled with or without the diacritic mark (i.e., "Cachaça" or "Cachaca").

Comments on this proposal are due on or before June 29, 2012. You may view copies of the proposed rule, various supporting documents, and any comments received about this proposal on the [Regulations.gov](http://www.Regulations.gov) Web site within [Docket No. TTB-2012-0002](#). To submit comments electronically, use the [Regulations.gov comment form](#) for Notice No. 127. To submit comments by postal mail or hand delivery, see the instructions included within the proposed rule.