

2009 TTB Expo Presentation

# Specially Denatured Spirits

Presented by

Janet Counts, National Revenue Center

Tomika L. Moore, Nonbeverage Products Laboratory



# Presentation Overview

- Part One:
  - National Revenue Center (NRC)
- Part Two:
  - Nonbeverage Products Laboratory (NPL)

Part One:  
National Revenue Center

# Overview

- Specially Denatured Spirits Users and Dealers:
  - Qualifying Documents
  - Changes to your Industrial Alcohol User Permit
  - General Information
  - Terminating your Permit

# Qualifying Documents

# Qualifying

- Who is required to apply for a permit?
  - Anyone who wants to procure (buy), use, recover, or deal in (sell) specially denatured spirits must apply for and obtain an industrial use permit. 27 CFR 20.41
- Can anyone get Specially Denatured Spirits (SDS) without a permit?
  - Samples of SDS may be obtained without a permit during a single calendar year if the quantity is no more than 5 gallons. (There are restrictions on how the samples of SDS may be used.) 27 CFR 20.251

# Specially Denatured Spirits

- If someone needs more than a 5-gallon sample of SDS so they can determine if they want a permit to use SDS, they must send the NRC a letterhead application describing why they need the additional amount. 27 CFR 20.252
- Dealers or distilled spirits plants (DSPs) that provide the samples must keep accurate records to be sure the samples they provide to a customer without a permit do not exceed the 5-gallon limit.

# Distilled Spirits Used to Make Denatured Spirits

- Denatured spirits may only be made with alcohol (ethyl alcohol) or rum. Any source material may be used to produce the alcohol (e.g., grains, etc.), by any means (the method of distillation).
- The term “alcohol” does not include whiskey, brandy, rum, gin, or vodka.



# Qualifying Documents for SDS Users

- For annual withdrawals of 5,000 gallons or less 27 CFR 20.42:
  1. TTB F 5150.22, Application for an Industrial Alcohol User Permit
  2. TTB F 5100.1, Signing Authority for Corporate Officials, or TTB F 5000.8, Power of Attorney
  3. TTB F 5000.29, Environmental Information
- Note: Dealers file only the first two items.

## Qualifying Documents for SDS Users (Continued)

- Also, for annual withdrawals of 5,000 gallons or less:
  4. TTB F 5000.30, Supplemental Information on Water Quality Considerations
  5. TTB F 5150.19, Formula and/or Process for Article Made with Specially Denatured Spirits. (This is not required if manufacturing a general use formula.)

## Qualifying Documents for SDS Users (Continued)

- For annual withdrawals over 5,000 gallons:
  1. TTB F 5150.22, Application for an Industrial Alcohol User Permit
  2. TTB F 5000.29, Environmental Information
  3. TTB F 5000.30, Supplemental Information on Water Quality Considerations

## Qualifying Documents for SDS Users (Continued)

- Also for annual withdrawals over 5,000 gallons:
  4. TTB F 5100.1, Signing Authority for Corporate Officials, or TTB F 5000.8, Power of Attorney
  5. TTB F 5000.9, Personnel Questionnaire
  6. TTB F 5150.19, Formula and/or Process for Article Made with Specially Denatured Spirits. (This is not required if manufacturing a general use formula.)

# Qualifying Documents for SDS Users (Continued)

- Also for annual withdrawals over 5,000 gallons:
  7. Organizational Documents to include:
    - Certificate and Articles of Incorporation, Bylaws (for corporations);
    - Certificate and Articles of Organization, Operating Agreement (for LLCs);
    - Certificate to Operate in a Foreign State (if organized in a different State);
    - Listing of names and addresses of officers, directors, and stockholders owning 10% or more.

# Qualifying Documents for SDS Users (Continued)

- Also for annual withdrawals over 5,000 gallons:
  8. Statement designating person directly responsible for the specially denatured spirits.
- Note: SDS Dealers have the same requirements for annual withdrawals over 5,000 gallons except the following forms are not filed:
  - TTB F 5000.29, Environmental Information
  - TTB F 5000.30, Supplemental Information on Water
  - TTB F 5150.19, Formula

Changes to Your Industrial Alcohol  
User Permit:  
Steps to Amend Your Permit

# Name Change

- If the change consists of a change in name only, you will need:
  - Either a letterhead notice (27CFR 56(4)) that explains the change or an application on TTB F 5150.22 completed to show “change in name.”
  - Copies of organizational documents (amended articles of incorporation, amended operating agreement, or other State registration that evidences the name change).
  - Return your original permit for amendment.



# Change in Proprietorship

- If you have undergone a change in proprietorship/ownership, you will need:
  - New application on TTB F 5150.22; must be received by the NRC on behalf of new entity within 30 days of the change. 27 CFR 20.57
  - Outstanding permit may remain in effect until final action is taken on the application; if the application is not timely submitted, the predecessor's permit automatically terminates at the expiration of 30-day period.
  - Incoming proprietor should file supporting documents (articles of incorporation, signing authority, and environmental forms, if applicable).

## Change in Proprietorship (Continued)

- If you have undergone a change in proprietorship/ownership:
  - SDS users may adopt the formulas of their predecessor as provided in 27 CFR 20.63 or file new formulas on TTB F 5150.19.
  - The outgoing proprietor should return their original permit for cancellation.
  - An SDS user must also file a “final” report on TTB F 5150.18.

# Location or Address Change

- If you have moved or have a new postal address, you will need:
  - Either a letterhead notice that explains the change or an application on TTB F 5150.22 completed to show “change in location.” 27 CFR 20.62
  - Your permit must show the address where the alcohol is used, and your supplier may only deliver to that address as it appears on your permit.
- For a location change include:
  - TTB F 5000.29, Environmental Information
  - TTB F 5000.30, Supplemental Information on Water

# Changes in Persons Authorized to Act

- Permittees are responsible for deciding who will be granted the authority to act on their behalf in matters relating to their permit.
  - These are the only individuals who may sign correspondence, applications, or other documents submitted to TTB.
  - They are also the only persons to whom TTB may speak.
- If you are not sure who those individuals are, it probably needs to be UPDATED.

## Changes in Persons Authorized to Act (Continued)

- To grant such authority, you will need to file either a:
  - Power of Attorney on TTB F 5000.8;
  - Signing Authority for Corporate and LLC Officials on TTB F 5100.1; or
  - Resolution by the Board of Directors, partners, or managing members.

# Increasing or Decreasing your Annual Withdrawal Amounts

- You will need:
  - Either a letterhead notice that explains the change, or an application on TTB F 5150.22 completed to show “increase or decrease in annual allowance.”
  - Return your original permit for amendment.
  - If the new allowance exceeds 5,000 gallons, you must submit the organizational documents that are outlined in 27 CFR 20.45.

# General Information

# General Information

- The regulations for SDS can be found at 27 CFR part 20.
- Formulas must be submitted to our laboratory on TTB Form 5150.19, with the exception of general use formulas.



# Reagent Alcohol

- You do not need a permit or TTB approval to purchase reagent alcohol provided the container size does not exceed 4 liters.
- If you wish to acquire the reagent alcohol in larger than 4-liter containers, you must submit a letterhead notice to TTB with the required information from 27 CFR 20.117 and 20.133.
- Note: Reagent alcohol may only be used for laboratory or scientific purposes.

# Termination of Permits

# Terminating Your Permit

- When a permittee wishes to discontinue business as an SDS user or dealer, they must submit written notice to the NRC with the following information:
  - A request to cancel the permit;

27 CFR 20.68

# Terminating Your Permit (Continued)

- A statement of the disposition must be made of all SDS, as required in 27 CFR 20.234. SDS on hand at the time the business discontinues using SDS may be disposed of by:
  - Returning the SDS to a DSP or dealer, as provided in 27 CFR 20.231;
  - Destruction, as provided in 27 CFR 20.222; or
  - Shipped to another user, as provided in 27 CFR 20.235.

# Terminating Your Permit (Continued)

- You must also:
  - Provide the date of discontinuance.
  - Provide the written notice should be accompanied by a report on TTB F 5150.18 covering the discontinuance and marked “Final Report” (SDS users only).
  - Return the current Industrial Alcohol User Permit for cancellation (Permittee).

# Contact Information

MAIL: National Revenue Center  
8002 Federal Office Bldg.  
550 Main Street  
Cincinnati, OH 45202

PHONE: 1-877-882-3277 (toll free) or  
1-513-684-7150

ONLINE: [www.ttb.gov](http://www.ttb.gov) 27 CFR part 20

Part Two:  
Nonbeverage Products Laboratory

# Overview

- The Role of TTB Laboratories
- SDS Requirements
- Formulas on TTB Form 5150.19
- General-Use Formulas
- SDS Used for Lab or Mechanical Purposes
- The Future of SDS



# The Role of TTB Laboratories

# Laboratory Background

- TTB is within the Department of the Treasury
- TTB's mission is to collect the revenue and protect the public
- The Laboratory function falls under Scientific Services Division (SSD) within Headquarters Operations
- There are 4 laboratories within SSD:
  - Compliance Laboratory
  - Tobacco Laboratory
  - Beverage Alcohol Laboratory
  - Nonbeverage Products Laboratory

# Compliance Laboratory (CL)

- Located in Walnut Creek, CA
- ISO 17025 accreditation
- Analyzes domestic beverage alcohol products, SDS, CDA, and articles to ensure their compliance with TTB regulations
- Alcohol Sampling Program
- Sulfur dioxide waiver requests for wines
- Special projects

# Tobacco Laboratory (TL)

- Tax classification
- Diversion
- Research projects

# Beverage Alcohol Laboratory (BAL)

- Alcohol Proofing
- Class and Type categories of alcoholic beverages
- Analysis for adulterants, contaminants, limited, and prohibited ingredients in alcoholic beverages
- Alcohol Sampling Program

# Nonbeverage Products Laboratory (NPL)

- The NPL is co-located at the National Laboratory Center in Beltsville, MD with the TL, BAL, ATF Laboratory, and the Fire Research Center

# NPL Functions

- Nonbeverage (Drawback) Products
  - Food products
  - Flavors/flavoring extracts
  - Medicines/medicinal preparations
  - Perfumes

# NPL Functions (Continued)

- SDS Products
  - Toilet preparations
  - Medicines
  - Household cleaning products
  - Solvents



# NPL Functions (Continued)

- Processes all incoming SDS formulas for TTB; approximately 2,045 formulas were processed in 2008
- Reviews new processes and requests for new denaturants
- Analyzes compliance samples
- Provides technical support to customers and other divisions within TTB

# NPL Functions (Continued)

- Additional Laboratory Functions:
  - Internal ISO Audit Committee
  - Safety Committee
  - Professional organizations and board positions
  - Tax classification
  - Compliance analyses
  - Method development
  - Special projects

# SDS Requirements

# Getting Started

- If you want to use Specially Denatured Spirits (SDS), you must:
  - Apply for and obtain an industrial alcohol user permit
  - Decide which of the formulas in Part 21 you wish to use
  - File a formula on TTB F 5150.19, unless it is a general-use formula
  - Wait for formula approval

# Obtain a Permit

- If you want to use Specially Denatured Spirits (SDS), you must:
  - Apply for and obtain an industrial alcohol user permit
  - Decide which of the formulas in Part 21 you wish to use
  - File a formula on TTB F 5150.19, unless it is a general-use formula
  - Wait for formula approval

# Industrial Alcohol User Permits

- There are 3 types of proprietors:
  - A Dealer: authorized to purchase SDS and Specially Denatured Rum (SDR) for resale to authorized users
  - A Distilled Spirits Plant (DSP): authorized to manufacture, purchase, and use SDS and SDR. May also manufacture Completely Denatured Alcohol (CDA)
  - An SDS user: authorized to purchase and use SDS and SDR

# Choose an SDS Formula

- If you want to use Specially Denatured Spirits (SDS), you must:
  - Apply for and obtain an industrial alcohol user permit
  - Decide which of the formulas in Part 21 you wish to use
  - File a formula on TTB F 5150.19, unless it is a general-use formula
  - Wait for formula approval

# CDA Formulas in Part 21

- There are 3 approved CDA formulas in the regulations:
  - CDA 18, 19, and 20
  - CDA 20 is restricted to fuel use
  - Formula approval is not required for CDA
  - Only DSPs can make CDA
- CDA 18 and 19 must be produced from alcohol with a proof of 160 or higher
- CDA 20 must be produced from alcohol with a proof of 185 or higher



# SDS Formulas in Part 21

- There are 49 approved SDS formulas and 1 approved SDR formula in the regulations:
  - SDS must be made from alcohol with a proof of 185 or higher
  - SDR must be made from rum with a proof of 150 or higher
    - SDA-4 is the only formula made with rum

# What SDS Formula Should I Use?

- One that is suitable for the intended use
- One that does not have restrictions that would prevent the use in a particular process
- One that is approved in the TTB's regulations

# What If I Want a New SDS Formula?

- Petition the Chief of the NPL for the new denaturant
- Request must be submitted by the manufacturer of the finished article
- Proposed denaturant must not be easily separated from ethanol
- Proposed denaturant must be universally acceptable

# Submit Formula for Approval

- If you want to use Specially Denatured Spirits (SDS), you must:
  - Apply for and obtain an industrial alcohol user permit
  - Decide which of the formulas in Part 21 you wish to use
  - File a formula on TTB F 5150.19, unless it is a general-use formula
  - Wait for formula approval

Formulas on TTB F 5150.19

# Formulas on TTB F 5150.19

- SDA formulas on TTB F 5150.19 require:
  - Submissions in duplicate (including attachments other than MSDSs) with at least one original signature
  - Separate formulas for each product and for each manufacturing location
  - Complete and accurate formula

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)**1. NAME OF ARTICLE OR USE OF ALCOHOL OR RUM IF AN ARTICLE IS NOT TO BE MANUFACTURED**

<i>former name, if successor)</i>		PERMIT NO.
8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED		
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED <i>(Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)</i>	12. PROOF	
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.	13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO	
14. STATE FORMULA/PROCESS <i>(Describe process when required by regulations)</i>		
<i>(Attach additional sheets if necessary)</i>		
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION <i>(Include Area Code and Telephone Number)</i>
FOR TTB USE ONLY		
LABORATORY NUMBER SAMPLE	ACTION	
LABORATORY NUMBER OIL		
ANALYST		
DATE		
TTB F 5150.19 (06/2007)		

# Item #1

- Specific or generic name of the product (article)
- Manufacturing process in which the SDS or SDR will be used

# 2. CODE NUMBER

		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED (Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)		12. PROOF
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.		13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO
14. STATE FORMULA/PROCESS (Describe process when required by regulations)		

(Attach additional sheets if necessary)

15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION (Include Area Code and Telephone Number)
--	----------	--

FOR TTB USE ONLY

LABORATORY NUMBER SAMPLE	ACTION
LABORATORY NUMBER OIL	
ANALYST	
DATE	

## Item #2

- Three digit number found in 27 CFR Part 21 that corresponds to the name of the article or process in which the SDS or SDR will be used
- Each SDS and SDR formula has a list of code numbers



# 3. FORMULA IS

NEW

REVISED

RESUBMITTED

		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED (Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)	12. PROOF	
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.	13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO	
14. STATE FORMULA/PROCESS (Describe process when required by regulations)		
<i>(Attach additional sheets if necessary)</i>		
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION (Include Area Code and Telephone Number)
FOR TTB USE ONLY		
LABORATORY NUMBER SAMPLE		
LABORATORY NUMBER OIL		
ANALYST		
DATE		

## Item #3

- New: First time submitting the formula for this particular article or process
- Revised: Formula composition has been modified or TTB requested changes have been made
- Resubmitted: Seldom used and may be omitted on future editions of the form

## 4. IF PREVIOUSLY APPROVED

MANUFACTURER:

DATE:

8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED	
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED (Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)	12. PROOF
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.	13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO
14. STATE FORMULA/PROCESS (Describe process when required by regulations)	
(Attach additional sheets if necessary)	
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE
17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION (Include Area Code and Telephone Number)	

## FOR TTB USE ONLY

LABORATORY NUMBER SAMPLE	ACTION
LABORATORY NUMBER OIL	
ANALYST	
DATE	

Item #4

- Name of the manufacturer who received TTB approval for the same article
- Date of the approval

## 5. NAME AND ADDRESS *(Include Number, Street, City, State and ZIP Code) (State former name, if successor)*

9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED <i>(Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)</i>	12. PROOF
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.	13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO
14. STATE FORMULA/PROCESS <i>(Describe process when required by regulations)</i>	

*(Attach additional sheets if necessary)*

15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION <i>(Include Area Code and Telephone Number)</i>
--	----------	---

FOR TTB USE ONLY

LABORATORY NUMBER SAMPLE	ACTION
LABORATORY NUMBER OIL	
ANALYST	
DATE	

## Item #5

- Manufacturing address
- Address should match the one on the permit

FORMULA

# 6. SERIAL NUMBER

1. NAME OF ART  
MANUFACTURER

3. FORMULA IS

NEW

5. NAME AND ADDRESS  
*former name, if any*

9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED  
CONTAINERS?

YES  NO

10. SIZES OF COMMERCIAL PACKAGES

11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED *(Specify  
denaturants in formulas SDA-29, SDA-38B, SDA-38F)*

12. PROOF

NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each  
ingredient should be stated in avoirdupois and/or fluid ounces. Batch  
size, percent, or metric formulas may be shown as an extension of the  
gallon formula.

13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE  
RECOVERED FROM THE MANUFACTURING PROCESS?

YES  NO

14. STATE FORMULA/PROCESS *(Describe process when required by regulations)*

*(Attach additional sheets if necessary)*

15. SIGNATURE OF APPLICANT OR AUTHORIZED  
AGENT

16. DATE

17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION  
*(Include Area Code and Telephone Number)*

FOR TTB USE ONLY

LABORATORY NUMBER SAMPLE

ACTION

LABORATORY NUMBER OIL

ANALYST

DATE

## Item #6

- No longer used

FORMULA

# 7. INDUSTRIAL USE PERMIT NO.

1. NAME OF ARTICLE  
MANUFACTURE

3. FORMULA IS

NEW

5. NAME AND ADDRESS  
former name, if s

9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED  
CONTAINERS?

YES  NO

10. SIZES OF COMMERCIAL PACKAGES

11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED (Specify  
denaturants in formulas SDA-29, SDA-38B, SDA-38F)

12. PROOF

NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each  
ingredient should be stated in avoirdupois and/or fluid ounces. Batch  
size, percent, or metric formulas may be shown as an extension of the  
gallon formula.

13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE  
RECOVERED FROM THE MANUFACTURING PROCESS?

YES  NO

14. STATE FORMULA/PROCESS (Describe process when required by regulations)

(Attach additional sheets if necessary)

15. SIGNATURE OF APPLICANT OR AUTHORIZED  
AGENT

16. DATE

17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION  
(Include Area Code and Telephone Number)

FOR TTB USE ONLY

LABORATORY NUMBER SAMPLE

ACTION

LABORATORY NUMBER OIL

ANALYST

DATE

## Item #7

- Permit number issued by the NRC
  - For example, SDS-MD-0000
- Enter pending or applied for if the number has not been received

# 8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED

		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED	
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO		10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED (Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)		12. PROOF	
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.		13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO	
14. STATE FORMULA/PROCESS (Describe process when required by regulations)			
<i>(Attach additional sheets if necessary)</i>			
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT		16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION (Include Area Code and Telephone Number)
FOR TTB USE ONLY			
LABORATORY NUMBER SAMPLE	ACTION		
LABORATORY NUMBER OIL			
ANALYST			
DATE			
TTB F 5150.19 (06/2007)			

## Item #8

- Should match the name or process in Item #1; or
- The intended final use

# 9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS?

YES

NO

		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED (Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)	12. PROOF	
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.	13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO	
14. STATE FORMULA/PROCESS (Describe process when required by regulations)		
<i>(Attach additional sheets if necessary)</i>		
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION (Include Area Code and Telephone Number)

FOR TTB USE ONLY

LABORATORY NUMBER SAMPLE	ACTION
LABORATORY NUMBER OIL	
ANALYST	
DATE	

## Item #9

- Yes, if the product will be packaged in pressurized containers
- Name and amount of propellant needs to be included

# 10. SIZES OF COMMERCIAL PACKAGES

		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED	
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO		10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED <i>(Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)</i>		12. PROOF	
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.		13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO	
14. STATE FORMULA/PROCESS <i>(Describe process when required by regulations)</i>			
<i>(Attach additional sheets if necessary)</i>			
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT		16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION <i>(Include Area Code and Telephone Number)</i>
FOR TTB USE ONLY			
LABORATORY NUMBER SAMPLE			
LABORATORY NUMBER OIL			
ANALYST			
DATE			
TTB F 5150.19 (06/2007)			

## Item #10

- Size of the container that the article will be packaged
- If the article or process is for internal use, enter N/A



# 11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED *(Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)*

<i>former name, if successor)</i>		PERMIT NO.
		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED <i>(Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)</i>		12. PROOF
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.		13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO
14. STATE FORMULA/PROCESS <i>(Describe process when required by regulations)</i>		
<i>(Attach additional sheets if necessary)</i>		
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION <i>(Include Area Code and Telephone Number)</i>
FOR TTB USE ONLY		
LABORATORY NUMBER SAMPLE	ACTION	
LABORATORY NUMBER OIL		
ANALYST		
DATE		
TTB F 5150.19 (06/2007)		

## Item #11

- State the SDA or SDR formula used
- If SDA 29, 38-B, or 38-F, the denaturant(s) used must be stated

# 12. PROOF

		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED (Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)		12. PROOF
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.		13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO
14. STATE FORMULA/PROCESS (Describe process when required by regulations)		
<i>(Attach additional sheets if necessary)</i>		
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION (Include Area Code and Telephone Number)

FOR TTB USE ONLY	
LABORATORY NUMBER SAMPLE	ACTION
LABORATORY NUMBER OIL	
ANALYST	
DATE	

## Item #12

- State the proof of the purchased SDS or SDR
- SDS cannot be less than 185 proof
- SDR cannot be less than 150 proof

# 13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS?

YES       NO

## Item #13

- Yes, if SDS or SDR is to be collected for re-use or disposal
- Permit must show recovery operations

		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO	10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED <i>(Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)</i>	12. PROOF	
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.	13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO	
14. STATE FORMULA/PROCESS <i>(Describe process when required by regulations)</i>		
<i>(Attach additional sheets if necessary)</i>		
15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT	16. DATE	17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION <i>(Include Area Code and Telephone Number)</i>
FOR TTB USE ONLY		
LABORATORY NUMBER SAMPLE	ACTION	
LABORATORY NUMBER OIL		
ANALYST		
DATE		
TTB F 5150.19 (06/2007)		

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)  
**FORMULA AND/OR PROCESS FOR ARTICLE MADE WITH SPECIALLY DENATURED SPIRITS**

*(Prepare in duplicate - See instructions below)*

1. NAME OF ARTICLE OR USE OF ALCOHOL OR RUM IF AN ARTICLE IS NOT TO BE MANUFACTURED		2. CODE NUMBER	
3. FORMULA IS <input type="checkbox"/> NEW <input type="checkbox"/> REVISED <input type="checkbox"/> RESUBMITTED		4. IF PREVIOUSLY APPROVED MANUFACTURER: _____ DATE: _____	
5. NAME AND ADDRESS <i>(Include Number, Street, City, State and ZIP Code) (State former name, if successor)</i>		6. SERIAL NUMBER	7. INDUSTRIAL USE PERMIT NO.
		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED	
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO		10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED <i>(Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)</i>		12. PROOF	
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.		13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO	
		14. STATE FORMULA/PROCESS <i>(Describe process when required by regulations)</i>	

## Item #14

- Must show identities and quantities of all ingredients
- Quantities must be labeled with the correct units
- Total yield for the quantities need to be provided
- Manufacturing process
- Quantity, composition, and disposition of any SDA waste stream

**14. STATE FORMULA/PROCESS** *(Describe process when required by regulations)*

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)  
**FORMULA AND/OR PROCESS FOR ARTICLE MADE WITH SPECIALLY DENATURED SPIRITS**

(Prepare in duplicate - See instructions below)

1. NAME OF ARTICLE OR USE OF ALCOHOL OR RUM IF AN ARTICLE IS NOT TO BE MANUFACTURED		2. CODE NUMBER	
3. FORMULA IS <input type="checkbox"/> NEW <input type="checkbox"/> REVISED <input type="checkbox"/> RESUBMITTED		4. IF PREVIOUSLY APPROVED MANUFACTURER: _____ DATE: _____	
5. NAME AND ADDRESS (Include Number, Street, City, State and ZIP Code) (State former name, if successor)		6. SERIAL NUMBER	7. INDUSTRIAL USE PERMIT NO.
		8. PURPOSE FOR WHICH THIS PRODUCT IS TO BE USED	
9. IS THE PRODUCT TO BE PACKAGED IN PRESSURIZED CONTAINERS? <input type="checkbox"/> YES <input type="checkbox"/> NO		10. SIZES OF COMMERCIAL PACKAGES	
11. SPECIALLY DENATURED ALCOHOL OR RUM FORMULA USED (Specify denaturants in formulas SDA-29, SDA-38B, SDA-38F)		12. PROOF	
NOTE: Formula must total 1 gallon or multiple thereof and the quantity of each ingredient should be stated in avoirdupois and/or fluid ounces. Batch size, percent, or metric formulas may be shown as an extension of the gallon formula.		13. IS SPECIALLY DENATURED ALCOHOL OR RUM TO BE RECOVERED FROM THE MANUFACTURING PROCESS? <input type="checkbox"/> YES <input type="checkbox"/> NO	

15. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT

16. DATE

SIGNATURE OF APPLICANT OR AUTHORIZED AGENT

PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION (Include Area Code and Telephone Number)

LABORATORY NUMBER SAMPLE

ACTION

FOR TTB USE ONLY

17. PERSON TO BE CONTACTED CONCERNING THIS SUBMISSION  
(Include Area Code and Telephone Number)

## Item #15 - 17

- Signature of the person that has signing authority
- The date the formula was signed
- The person that can answer questions about the submission

# Wait for Formula Approval

- If you want to use Specially Denatured Spirits (SDS), you must:
  - Apply for and obtain an industrial alcohol user permit
  - Decide which of the formulas in Part 21 you wish to use
  - File a formula on TTB F 5150.19, unless it is a general-use formula
  - Wait for formula approval

# What Is Required for Approval?

- Additional chemicals and/or essentials oils
- Average person would not mistake the product for a beverage
- Materials cannot be easily separated from the ethanol
- Ideally should contain a warning odor, color, and/or taste

# 5150.19 Formula Approval

- An approved formula allows you to manufacture an article for sale or conduct a process
- Both permit and formula approval are needed before articles can be manufactured for sale or processes conducted
- An article can be sold to anyone



# Do I Need a Revised Formula When...?

- Changing the name of an article
- Changing the product number of an article
- Changing a color or dye
- Switching denaturants
- Adding or removing ingredients
- Changing the quantity of one or more ingredients
- Changing the size of the commercial package

# General-Use Formulas

# General-Use Formulas

- Special Industrial Solvents
- Proprietary Solvents
- Tobacco Flavors
- Ink
- Low Alcohol
- Reagent Alcohol
- Rubbing Alcohol
- Toilet Preparations containing not less than 10% Essential Oils

# Special Industrial Solvents

- Do not require a permit to purchase
- Not intended for sale through retail channels
- Contain 100 gallons SDA Formula 1, 3A, or 3C and:
  - No less than 1 gallon of MIBK, methyl n-butyl ketone, nitropropane, or ethylene glycol monoethyl ether
  - No less than 5 gallons ethyl acetate, isopropyl alcohol, or methanol
- May contain other ingredients

# Proprietary Solvents

- Do not require a permit to purchase
- Contain 100 gallons SDA Formula 1 or 3A and:
  - No less than 1 gallon of gasoline (regular or unleaded), heptane, or rubber hydrocarbon solvent
  - No less than 3 gallons ethyl acetate, MIBK, methyl n-butyl ketone, tert-butyl alcohol, sec-butyl alcohol, nitropropane, ethylene glycol monoethyl ether, or toluene
- May contain other ingredients

# Low Alcohol

- Finished article that does not contain more than 5% alcohol by volume
- Only includes simple formulations
- Does not include processes in which SDS has been partially or completely removed during manufacture
- Does not include processes in which SDS will be recovered or redensured

# Reagent Alcohol

- Sale restricted to laboratories or those who need it for scientific use
- May be distributed in bulk to bona fide laboratory supply houses for packaging and resale to qualified users
- Contains 95 gallons SDA Formula 3A and 5 gallons of isopropyl alcohol
- Water may be added at the time of manufacture
- May not contain any other ingredient

# Toilet Preparations

- Must contain a minimum of 10% essential oils by volume
- Essential oil is defined as a volatile odoriferous natural oil found in plants or an imitation of a natural oil
- Includes articles made with SDA 39-C



# SDA Used for Lab or Mechanical Purposes

# SDS Used for Lab or Mechanical Purposes

- No formula on TTB F 5150.19 is required for SDA 3-A, 3-C, or 30
- Formula is required on TTB F 5150.19 for all other SDA formulas
- Formula must contain the following:
  - SDS Formula Number
  - Description of the process
  - Approximate annual quantity of SDS
  - Composition and disposition of waste

# The Future of SDS

# Business Process Re-engineering

- Contractor hired to do a thorough review of the laboratory's current SDS approval process
- Contractor evaluated other Federal agencies with similar missions
- Contractor proposed recommendations that will be implemented

# Future Regulations

- Unused SDA formulas will be eliminated from the regulations
- Many of the SDA formulas will be reclassified as general-use formulas
- NPL will review only those formulas that may pose jeopardy to the revenue
- NPL will conduct more post-approval analyses

# Unused SDA Formulas

- The following SDA formulas have not been used since the collection of electronic data began:

2-C, 3-B, 6-B, 17, 20, 22, 23-F, 27, 27-A,  
27-B, 33, 38-C, 39, 39-A, 42, 44, and 46

# Reclassification as General-Use

- The following SDA formulas will be reclassified as general-use formulas:

1, 3-A, 12-A, 13-A, 19, 23-A, 23-H, 30, 32, 35, 35-A, 36, 37, 38-D, 40, 40-A, and 40-B

# Benefits of Change

- What Does this Mean for the Industry?
  - Less cumbersome regulations
  - No formula approval required for a larger number of formulas
  - Faster turnaround times for those formulas that need to be submitted



# Next Steps

- Revise 27 CFR Parts 20 and 21
- Internal TTB review
- Obtain concurrence at U.S. Treasury Department
- Publish proposed regulations in Federal Register
- Comment period
- Finalize regulation change

# Current vs. Future

## Current Regulations

- 3 CDA formulas
- 8 general-use formulas
- 49 SDS formulas
- 1 SDR formula
- Permit required
- Formula approval required on TTB F 5150.19, unless general-use formula

## Future Regulations

- 3 CDA formulas
- 25 general-use formulas
- 16 SDS formulas
- 1 SDR formula
- Permit required
- Formula approval required on TTB F 5150.19, unless general-use formula

# Who Do I Contact?

## **NRC**

- Permit application questions
- Annual reports


## **RRD**

- Variances from the regulations
- Exporting SDS to other countries

## **NPL**

- Formula approval or status of submission
- Technical formula questions
- Request for a new denaturant

# Contact Information

- Tomika Moore  
Senior Chemist, Nonbeverage Products Laboratory  
240-264-1588  

- Janet Scalese  
Chief, Nonbeverage Products Laboratory  
240-264-1589  
[chiefnonbevlab@ttb.gov](mailto:chiefnonbevlab@ttb.gov)