

New Matters at TTB

April 5, 2006

Bioterrorism Act of 2002

- Public Health Security & Bioterrorism Preparedness and Response Act of 2002
- Registration of food facilities
- Prior notice of importation
- Establishment & Maintenance of records
- Administrative detention of food
- <http://www.fda.gov/oc/bioterrorism/bioact.html>

Establishment & Maintenance of Records

- Proposed Rule published May 9, 2003
- Final Rule published December 9, 2004
- Effective February 7, 2005.
- Compliance dates:
 - December 9, 2005
 - Small companies (11-499 FTEs), June 9, 2006
 - Very small companies (1-10 FTEs), December 11, 2006

Miscellaneous Trade & Technical Corrections Act of 2004

- Section 2002
 - Amended section 5382(a) of the Internal Revenue Code of 1986 (relating to cellar treatment of natural wine).
 - Imported wines produced after December 31, 2004 must be certified by the government of the producing country that the practices and procedures used to produce the wine constitute proper cellar treatment in the United States, and accompanied by an affirmed laboratory analysis.

Exception

- Natural wines covered by an international agreement or treaty with the US on winemaking practices and procedures.
 - Argentina, Australia, Canada, Chile and New Zealand signed a MAA covering grape wines (7-22% alcohol)
 - The European Community signed an agreement covering grape wines (7-22% alcohol)

US/EC Wine Agreement

- Initialed on September 14, 2005
- Signed on March 10, 2006
- Winemaking practices
- Protection/recognition of appellations of origin
- Use of semi-generic terms
- Certification
- Labeling of US wines for sale in the EC

Semi-generic names

- Burgundy, Chablis, Champagne, Chianti, Claret, Haut Sauterne, Hock, Madeira, Malaga, Marsala, Moselle, Port, Rhine, Sauterne, Sherry and Tokay
- Retsina
- COLAs issued prior to 3/10/06 are grandfathered
- Brand name or brand name + fanciful name
- Industry Circular 2006-1

SOT

- Special Occupational Tax has been repealed
- Wineries still need to renew their registration, but don't have to pay the tax
- The renewal form is on the TTB website
- TTB F 5630.5R P-No Tax

New treating materials/processes

- The manufacturer must get FDA approval for all materials that come in contact with the wine.
- The winery will write a letter to TTB asking to experiment with the new treating material or process.

Letter to TTB

- Include winery name and BW #
- Gallons and kind of wine you want to treat
- Copy of FDA approval
- What the material or process will do and the use rate
- Statement that the use of the material or process should be considered good commercial practice
- Statement that you will keep records as required in 27 CFR part 24
- Statement that the wine will not be released for commercial sale until approved by TTB

Ice Wine

- Grapes must be partially frozen on the vine prior to harvest.
- Wine made from grapes frozen after harvest may not bear labels containing the term “ice wine” or variations thereof.
- If a wine is made from grapes frozen after harvest, any reference that suggests the wine is made from frozen grapes must be qualified with a phrase such as “made from grapes frozen post-harvest”.

Dried Fruit, Honey Wine Production

- TTB Treasury Decision 23 – Affects 27 CFR 24.202-.203
- Effective March 21, 2005
 - Removes 14% alcohol limitation on wine produced from dried fruit
 - Lowers minimum Brix from 22 deg. to 13 deg. for honey wine
 - Clarifies that the addition of sugar to sweeten honey wine is allowed only after fermentation

Direct to Consumer Shipping

- U.S. Supreme Court Hearing Dec 7, 2004
- Ruling in Favor of Direct Shipping Issued May 16, 2005
- ATF Ruling 2000-1 re: Webb-Kenyon Act still in effect
- State-by-State Laws:

Wine Institute's Website
www.wineinstitute.org

Upcoming Rulemaking

- Allergen labeling
- Changes to vintage requirements
- Alcohol facts label

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