INDUSTRY CIRCULAR
OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE
ALCOHOL AND TOBACCO TAX DIVISION
WASHINGTON 25, D. C.

**Industry Circular No. 58-27** October 13, 1958

# LOSSES OF ALCOHOLIC LIQUORS CAUSED BY DISASTERS FOR THE PERIOD JANUARY 1, 1955, TO SEPTEMBER 2, 1958, AND FOR THE PERIOD SEPTEMBER 3, 1958, TO JUNE 30, 1959

**Proprietors of distilleries, rectifying plants, bonded wine cellars, breweries, and taxpaid bottling houses, importers, wholesale and retail dealers, and others concerned:**

**Purpose.** The purpose of this industry circular is to advise you of the claims procedure established with respect to disaster losses occurring during the periods January 1, 1955, to September 2, 1958, and September 3, 1958, to June 30, 1959.

**Background.** Section 5064 of the Internal Revenue Code, as amended by the Excise Tax Technical Changes Act of 1958, Public Law 85-859, makes provision for the payment, without interest, of an amount equal to the internal revenue tax paid or determined and customs duties paid on distilled spirits, wines, rectified products, and beer lost, rendered unmarketable, or condemned by reason of a major disaster occurring after June 30, 1959. Similar payments are authorized under section 208 of the Act as to disaster losses during the period January 1, 1955, to September 2, 1958, inclusive. Similar payments are also authorized as to disaster losses during the period September 3, 1958, to June 30, 1959, inclusive, by reason of section 210(a)(3) of the Act under which provisions having the effect of section 5064 of the Code are made applicable to such period.

**Claims under section 208 of the Act.** Claims may now be filed covering distilled spirits, wines, rectified products, and beer lost, rendered unmarketable, or condemned during the period January 1, 1955, to September 2, 1958, inclusive. Claims may be filed only with respect of such products which were in the possession of the payer of the tax, or tax and duty, or person who was obligated to pay the tax; in the possession of the bottler; or in the possession of a wholesale or retail dealer, at the time of the disaster. Such claims are to be filed in accordance with the provisions of subpart F of 26 CFR Part 170, as added by Treasury Decision 6315, and must be filed no later than March 2, 1959.

**Execution of claims under section 208.** Where the spirits, wines, rectified products, or beer were in the possession of a dealer when lost, and replacement has been made by the distiller, winemaker, brewer, rectifier, importer, or wholesaler, either directly or through a wholesale dealer, all parties to the transaction must join in the claim, Form 843, by appropriate certification and signatures. The certification should be in substantially the following form:

> We certify that this claim is based on replacement by (name of party making replacement) through (name of wholesaler) to (name of retailer).

Similarly if, in the same manner, the possessor has been reimbursed or has received credit for the liquors lost, all parties to the transaction must join in the claim and certification. In any case where two or more persons join in a claim, such claim must clearly identify the person to whom payment shall be made.

**Claims under section 210(a)(3) of the Act.** The procedure for the filing of claims covering distilled spirits, wines, rectified products, and beer lost, rendered unmarketable, or condemned during the period September 3, 1958, to June 30, 1959, inclusive, is prescribed by subpart G of 26 CFR Part 170, as added by Treasury Decision 6315. Such claims may be filed only by the person who held the products for sale at the time of the disaster and must be filed within six months after the date on which the President makes the determination that a disaster has occurred.

**Inquiries.** Inquiries regarding this industry circular should refer to its number and be addressed to the office of your assistant regional commissioner (alcohol and tobacco tax).

Dwight E. Avis

Dwight E. Avis
Director, Alcohol and Tobacco Tax Division