

Industry Circular



Internal Revenue Service
Alcohol, Tobacco and Firearms Division
Washington, D.C. 20224

Industry Circular No. 71-25

November 8, 1971

REPORTING THE USE OF HOP EXTRACTS

Brewers and others concerned:

A revenue procedure prescribing the reporting of the use of hop extracts will soon be published in the Internal Revenue Bulletin. The procedure will read as follows:

Section 1. Purpose.

The purpose of this Revenue Procedure is to establish a procedure for reporting on Form 103, Brewer's Monthly Report of Operations, the quantities of hop extracts and their equivalent pounds of hops used in the production of malt beverages. No change is prescribed in the manner of reporting the pounds of hops used in their natural state.

Section 2. Background.

Because of the brewing industry's increasing use of hop extracts, and the variety of concentrations in use, it is considered desirable for statistical purposes to have reported the equivalent pounds of hops of the hop extracts used.

Section 3. Reporting Procedures.

Quantities of hop extracts, and their equivalents in pounds of hops, used in the manufacture of malt beverages shall be reported in pounds as two separate items in Part II of Form 103. The hop extracts, in pounds, and their equivalents, shall be reported essentially by modifying columns of Part II of Form 103, in the manner illustrated below:

PART II - SUMMARY OF MATERIALS USED (POUNDS)								
(a)	Hops (b)	Hop Extracts LBS. (c)	Equiv. LBS. of Hops (c)	(d)	(e)	(f)	(g)	(h)
1.								
2.								
3.								
4.								

Section 4. Effective Date.

The reporting procedure prescribed herein shall be effective beginning with the monthly report covering transactions occurring during the month of January 1972.

Inquiries regarding this circular should refer to its number and be addressed to your Assistant Regional Commissioner, Alcohol, Tobacco and Firearms.

Rex D. Davis

Rex D. Davis, Director
Alcohol, Tobacco and Firearms Division