908.7107 Procurement and use of industrial alcohol.

(a) This section covers the procurement of industrial alcohol by DOE or authorized contractors and the applicable policies and delegations of authority to submit industrial alcohol user application to procure and use tax-free alcohol or specially denatured spirits. To the fullest extent practicable, industrial alcohol for use by DOE or its contractors shall be procured on a tax-free basis.

(b) The procurement of tax-free alcohol or specially denatured spirits shall be conducted in accordance with the regulations, policy, and procedures of the Alcohol and Tobacco Tax and Trade Bureau (TTB), of the Department of Treasury. The applicable TTB regulations and forms may be accessed at the following Web site: *http://www.ttb.gov/foia/err.shtml#regulations*. For further information, contact the Alcohol and Tobacco Tax and Trade Bureau, Director, National Revenue Center, 550 Main St., Suite 8002, Cincinnati, OH 45202-5215 or toll free at 1-877-882-3277.

(c) The applying office should coordinate, as necessary, with the local State Alcohol Control Board, or its equivalent, to obtain the appropriate State license.

(1) *Tax-free alcohol.* TTB regulations relating to the procurement and use of alcohol free of tax, by Government agencies, are set forth in 27 CFR part 22, subpart N, §§ 22.171 to 22.176.

(2) *Specially denatured spirits.* TTB regulations relating to the acquisition and use of alcohol free of tax, by Government agencies, are set forth in 27 CFR part 20, subpart N, §§ 20.241 to 20.245.

(d) For the user permits to procure and use tax-free alcohol and specially denatured spirits submit the application on the TTB Form 5150.22, “Application for Industrial Alcohol User Permit,” (or the current TTB form). When permits are no longer required, they should be forwarded to the Alcohol and Tobacco Tax and Trade Bureau for cancellation. Industrial alcohol procured by use of the TTB form referred to in this subsection shall be used exclusively on DOE work.

(e) The Senior Procurement Executive (SPE) has the authority to sign the TTB application, Form 5150.22. The SPE may delegate this authority to sign the application to specifically named DOE personnel. Requests for new authorizations or changes to existing authorizations shall be submitted by letter to the SPE. A copy of the TTB approved permit shall be sent to the SPE.

(f) Abandoned and forfeited alcohol which has come into the custody or control of a Federal agency may be obtained by following the procedure set forth in the FMR at 41 CFR part 102-41.

Parent topic: Subpart 908.71—Acquisition of Special Items