



Department of the Treasury

Alcohol and Tobacco Tax and Trade Bureau



Press Release

For Immediate Release
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PERNOD-RICARD USA, INC. REACHES SETTLEMENT WITH TTB

Washington, D.C. – The Alcohol and Tobacco Tax and Trade Bureau (TTB) announced its acceptance of a \$220,000 Offer-in-Compromise to resolve alleged violations of the Federal Alcohol Administration Act and the Internal Revenue Code. The Offer-in-Compromise stemmed from TTB's position that Pernod-Ricard USA, Inc., and its tenant brewery did not operate bona fide alternating brewery operations in that they represented the tenant brewery as being the brewer of malt beverages when in fact Pernod-Ricard USA was the actual producer of the malt beverage products in question. TTB alleges that as a result of this failure to operate bona fide alternating brewery operations, Pernod-Ricard USA improperly removed malt beverages without paying the required taxes, improperly labeled the beverages, and failed to keep the proper records of production.

Pernod-Ricard, USA, Inc., has taken steps to ensure that future activities will comply with the Federal Alcohol Administration Act and the Internal Revenue Code.

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