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KPMG report: Federal excise tax opportunity; drawback for taxed alcohol, manufacture of nonbeverage products

Manufacturers of nonbeverage products that use tax-paid alcohol in the production of certain products such as medicines, flavoring, and perfumes may qualify for a drawback from the Alcohol and Tobacco Tax and Trade Bureau (TTB).

In some cases, this TTB drawback may be a significant benefit, but the process for claiming it is complex, and in many cases, potential claimants are unaware of the issue. With a statute of limitations of six years, there may be an opportunity to go back and claim the drawback for open past periods.

Read a <u>September 2018 report</u> [PDF 72 KB] prepared by KPMG LLP: What's News in Tax: Federal excise tax opportunity: Drawback for use of taxed alcohol in manufacture of nonbeverage products

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