



TaxNewsFlash

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TTB announcement: Foreign alcohol producers may now register with online TTB system for 2023

The U.S. Treasury Department's Alcohol and Tobacco Tax and Trade Bureau (TTB) today issued a release about the reduced tax rates and tax credits for beer, wine, and distilled spirits produced or imported into the United States—originally made available by the “Craft Beverage Modernization Act” (CBMA) provisions of the 2017 tax law (Pub. L. No. 115-97), the law that is commonly referred to as the “Tax Cuts and Jobs Act” (TCJA). Read [TaxNewsFlash](#)

As noted in the [TTB release](#), the CBMA tax benefits are limited in quantity for each producer, including foreign producers. Foreign producers may utilize the CBMA tax benefits by assigning them to U.S. importers of their products.

A change in the law transferred responsibility for administering the CBMA tax benefits for imported alcohol from U.S. Customs and Border Protection (CBP) to TTB beginning with products entered for consumption in the United States on or after January 1, 2023.

Before assigning CBMA tax benefits, a foreign producer must first register with TTB using the online [myTTB](#) system. When a foreign producer's TTB registration is complete, the foreign producer will receive a TTB Foreign Producer ID, and will be able to then assign the tax benefits to importers through the myTTB system. The foreign producer will provide its TTB Foreign Producer ID to the importer, who will include it in the information submitted to CBP during the entry process, as well as in the information submitted to TTB when filing the CBMA import refund claim.

Foreign producers may now register using the myTTB system and may then use the system to make assignments to importers for calendar year 2023. An owner, officer, employee, or an authorized agent of a foreign producer may submit the foreign producer registration and make assignments.

A [user guide](#) [PDF 1.38 MB] for the new system, which provides step-by-step instructions for the foreign producer registration and tax benefit assignment processes, is available at the [CBMA Imports](#) page.

Information for importers submitting CBMA claims starting in 2023 will be provided at a later date.

For more information, contact a tax professional with KPMG’s Excise Tax Practice group:

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