



ADVISORY NOTICE NO. 4

**REGULATION AMENDMENT
JULY 11, 1990**

TO: Licensed Bonded Warehouse Operators

Pennsylvania Liquor Control Board Regulations (Title 40, PA Code, Section 5.102) related to record keeping and reporting requirements for Bonded Warehouses have been amended effective June 23, 1990. The regulations have been changed to clarify and update on-premises record keeping requirements and to eliminate monthly reporting requirements to the Pennsylvania Liquor Control Board.

The major changes affecting operations by Bonded Warehouse Licensees are as follows:

1. A regulatory provision has been added to provide that electronic record keeping may be utilized as an alternative to hard copy records so long as any such electronic record keeping system covers in detail all transactions as required by Section 5.102 of the regulations.
2. The regulatory requirement for submission of monthly reports of operations to the Pennsylvania Liquor Control Board has been rescinded. Therefore, licensees should discontinue transmission of these reports to the Board.

A copy of the pertinent section of the regulations, including these changes, is enclosed. As these revised regulations are now in effect, licensees are advised to administer their operations accordingly.

Sincerely,

A handwritten signature in black ink that reads "John D.W. Reiley". The signature is written in a cursive, flowing style.

JOHN D.W. REILEY
Secretary to the Board

TITLE 40, PA CODE
CHAPTER 5. DUTIES AND RIGHTS OF LICENSEES

Sec. 5.102. Bonded warehouses.

- (a) *Records.* A holder of a Bonded Warehouse License shall maintain and keep on the licensed premises, in hard copy or electronic media consistent with generally accepted accounting procedures, for a period of 2 years, complete and accurate daily records of transactions conducted under the authority of the license, subject to inspection, under sections 211, 512 and 513 of the Liquor Code (47 P. S. Secs. 2-211, 5-512 and 5-513), by authorized representatives of the Board and the State Police, Bureau of Liquor Control Enforcement. A recordkeeping system utilized by the licensee shall have the capability to provide for the reconciling of required data. Entries shall be verifiable by supporting documentation— original documents. Records shall be clearly identifiable to the licensed operation and shall include the following:
- (1) *Receipts.* The name of the producer and location of the distillery where produced, name and address of bonded warehouse from which transferred; name and address of the owner for whom stored, type (whether alcohol, whiskey and the like), type and number of containers, quantity in proof gallons (tax gallons), and warehouse certificates issued, shall be included.
 - (2) *Shipments.* The name and address of person to whom shipped, type (whether alcohol, whiskey and the like), type and number of containers, quantity in proof gallons (tax gallons), name and address of person from whose inventory the alcohol or liquors were withdrawn, and warehouse certificate numbers cancelled, must be included. Withdrawals In Bond shall show the original proof gallons (tax gallons), tax paid withdrawals shall show the regauged proof gallons (tax gallons) and losses in regauging.
 - (3) *Transfer of ownership of warehouse certificates.* Where alcohol or liquors are not removed from the bonded warehouse, a transfer of ownership of warehouse certificates shall be recorded, showing the name of person from whom transferred, the name and address of the person to whom transferred, the type of alcohol or liquor, type and number of containers and proof gallons (tax gallons), the warehouse certificate cancelled and the warehouse certificate issued to the new owner.
- (b) *Federal and State Government reports and forms.* Copies of reports or forms required by Federal or State governmental agencies related to the licensed operation shall be maintained for a period of 2 years unless required to be maintained for a longer period by the Federal or State agencies. The reports or forms shall also be open to inspection by authorized representatives of the Board and the State Police, Bureau of Liquor Control Enforcement, and shall constitute a satisfactory record if they contain the information required in subsection (a).