

which has been in the regulations since 1954. Rather, the limitation derives from the law's "good commercial practice" provision.

In addition to the provisions on alcohol content, §§ 24.202, 24.203, and 24.204 also contain limits on starting Brix for agricultural wines. The regulations define Brix as the quantity of dissolved solids in a wine, expressed as grams of sucrose in 100 grams of solution at 60 degrees Fahrenheit, *i.e.*, the percent of sugar by weight. The regulations permit the addition of water, and sugar in the case of § 24.204, during the production of agricultural wines, in order to facilitate fermentation if the density of the fermenting mixture is not reduced below 22 degrees Brix. This limitation, like that on alcohol content discussed above, was placed in the wine regulations in 1954 and is based on "good commercial practice" standards and not on a specific statutory prohibition.

Petitions

Dried Fruit Petition

Bruno and George Wines, Inc., in Beaumont, Texas, petitioned us to propose that the regulations at § 24.202, Dried fruit, be amended to allow for the production of a standard dried fruit wine that contains more than 14 percent alcohol by volume. Because of the current prohibition in § 24.202 against dried fruit wines with a higher alcohol content, we now classify such a wine as an "other than standard" wine. Mr. Shawn Bruno, the president of Bruno and George, Inc., states that he wishes to produce and market a raisin wine made according to his grandfather's traditional Sicilian recipe. The resulting wine would have an alcohol content greater than 14 percent alcohol by volume. Mr. Bruno points out that, if we lift this prohibition, his wine could be classified as a dessert raisin wine. In fact, the wine labeling regulations at § 4.21(f)(3) allow for agricultural wines with an alcohol content greater than 14 percent but less than 24 percent to be designated as agricultural dessert wines. Mr. Bruno comments that he sees no logical reason for exclusion of his raisin wine from this category.

Honey Wine Petition

Redstone Meadery in Boulder, Colorado, petitioned us to propose that we amend the regulations at § 24.203, Honey wine, to allow for the production of a standard honey wine with a starting Brix below 22 degrees. As discussed above, § 24.203 currently states that water may be added in the production of honey wine to facilitate fermentation,

as long as the density of the honey and water mixture is not reduced below 22 degrees Brix. We currently classify honey wines with a lower starting Brix as "other than standard" wines. Mr. David Myers of Redstone Meadery states that he wishes to make a lower alcohol honey wine that will require that the starting Brix be below 22 degrees. Mr. Myers argues that, because such a wine would still have honey as its primary fermentable ingredient, we should classify it as honey wine. Mr. Myers suggests the creation of a new category for low-alcohol honey wines, if the minimum starting Brix cannot be lowered. He proposes the names "light honey wine" or "honey wine varietal" for this new category, which would encompass honey wines with a starting Brix of between 22 degrees and 13.3 degrees, or roughly 7 percent alcohol by volume.

What Was the Result of TTB's Analysis of the Proposals?

Our research into the history of the requirements for agricultural wines reveals that both section 5387 of the IRC and its implementing regulations in §§ 24.202, 24.203, and 24.204 date from 1954. Section 5387 includes the following explanation:

These wines are not specifically referred to in existing law. This addition to the law enables the setting up by regulations of standards of agricultural wines after experience has shown to what extent provisions of law relating to natural wines should be considered applicable. Uniform limitations cannot be prescribed for all agricultural wines. Limitations consistent with good commercial practices in respect to the production of rice wines could not be prescribed for other wines, such as honey wine, rhubarb wine, etc. (H. Rept. 1337, 83rd Cong., 2nd Sess. (1954), reprinted at 1954 U.S. Code Cong. & Admin. News 3, 4518.)

This explanation shows that the law recognizes that agricultural wines are unique, with production standards that may vary significantly from one type of wine to another. While these standards may be guided by those for natural wine, defined in the law as wines made from sound, ripe grapes or other sound, ripe fruit, they may also vary significantly from natural wine standards. Thus, in 1954, the Internal Revenue Service established regulations that were based on standards of good commercial practice at that time. Because these standards can change over time as a result of technical developments and consumer preferences, we feel it is reasonable to reexamine these regulations in light of current industry practice and consumer understanding of these products.

During our research into these requirements, we were unable to determine the rationale for the alcohol content limit of 14 percent for agricultural wines. The initial implementing regulations in 1954 do not explain why the limitation of 14 percent alcohol content was determined to be a good commercial practice for agricultural wines. See 19 FR 7642, Nov. 27, 1954, and 19 FR 9633, Dec. 31, 1954. While the IRC places similar limits on sweetened grape and sweetened fruit and berry wines (see 26 U.S.C. 5383(a) and 5384(a)), we feel that it may be unreasonable to apply standards for fruit and berry wines to all agricultural wines, since agricultural products typically have different requirements for fermentation.

Also, as noted by the petitioner, § 4.21(f)(3) permits a dessert wine classification for agricultural wines that are 14 to 24 percent alcohol by volume. Currently, only producers of imported agricultural wines can legally call their products "dessert agricultural wine." Some dessert raisin wines are imported into the United States. Because domestic raisin wine producers must comply with the production provisions in part 24, they cannot take advantage of § 4.21(f)(3) and also label their wines as dessert wines. Changing § 24.202 will put domestic dried fruit wines on an equal footing with imported products. In addition, the importation of these dessert dried fruit wines evidences that the higher alcohol content is a good commercial practice that produces wines that meet consumer preferences. For these reasons, we propose to amend the regulations to allow for the production of dried fruit wines that are greater than 14 percent alcohol by volume.

We were also unable to document a reason for the 22 degrees Brix limitation, but we believe it derives from the limitations placed on grape and fruit wines. Section 5382(b)(1) of the IRC states that the juice or must of grape and fruit wines may not be reduced with water to less than 22 degrees. We believe it may be inappropriate to apply this same standard to all agricultural wines, since source products such as honey, raisins, and dandelions, etc., often contain far less natural water than do grapes and other fruits. Because they do, vintners must add water in order to achieve fermentation. Also, our research into the production of honey wines unearthed references to a category of low-alcohol honey wine called "hydromel." The fact that a recognized category already exists for a lower alcohol honey wine