

CHEMICAL SAFETY GUIDE

PROCUREMENT OF TAX-FREE ALCOHOL IN RESEARCH



Document # CHE061-CSG-Procurement of Tax-Free Alcohol in Research	Distribution: External
Section: Chemical Safety-Chemical Hygiene Program	Effective Date: 1/2022
Total Pages: 5	Revision Date: 3/2025

1. DESCRIPTION:

The purchase of "tax-free" alcohol (TFA), ethanol/ethyl alcohol that is 190 proof or higher, is regulated by the Alcohol and Tobacco Tax and Trade Bureau (TTB), Tobacco and Firearms Part 22.

Departments and laboratories that purchase TFA at the University must meet the requirements listed in this document. If these requirements are not met the University/individual may face penalties, including payment of taxes on the alcohol (CFR 27 Part 22.31-- Persons Liable for the Tax)

Authorized purchasers are subject to an audit at any time by officials of the TTB. Researchers and other users are urged to substitute reagent grade alcohol where possible to minimize the amount of recordkeeping and liability.

Contact EHRS via ehrschem@temple.edu for questions on purchasing Tax-Free alcohol for research.

2. PROHIBITED USE:

Tax-Free Alcohol must not be:

- removed from the premises or used for any other purpose other than, scientific research, and educational purposes, analysis by pathology laboratories, blood banks or other medical laboratories, for medical purposes in hospitals or for prescription compounding.
- sold or used for beverage purposes, food products or in any preparation used in preparing beverage or food products.

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3. REQUIRED PERMITS:

Two separate permits (federal and state) are required for researchers and/or department to order, store, and use tax-free alcohol. Purchasers must be in possession of the following permits before placing an order for tax-free alcohol.

- Federal-Environmental Health and Radiation Safety (EHRS) maintains the Temple University's Industrial Alcohol User Permit from the TTB.
- State-Individual Principal Investigators (PIs) and/or departments must obtain a permit to purchase and transport alcohol from the Pennsylvania Liquor Control Board (PLCB)

3.1 Federal Industrial Alcohol User Permit

The Department of Treasury, Alcohol and Tobacco Tax and Trade Bureau (TTB) has issued a single permit applicable to all research locations at Temple University. Physical locations/buildings where the tax-free alcohol is delivered, used, and/or stored must be listed on the permit.

Copies of the Universities Industrial Alcohol User Permit is available upon request through Environmental Health and Radiation Safety (EHRS). Departments/Individuals must submit a written request to ehrschem@temple.edu with the following information to receive a copy of this permit:

- Requestors full name and TU ID#
- Principal Investigator (PI) (if different from the name listed above) and TU ID#.
- Proposed Use
- Proposed Vendor/Supplier
- Department/Center
- Campus, building and room number(s) where the tax-free alcohol will be delivered, used, and stored.

Copies of the federal industrial alcohol user permit will be sent to the requestor electronically once EHRS has confirmed the identity of the requestor and verified a legitimate use of the tax-free alcohol. Once a copy of the permit is received, it must be kept on file wherever the alcohol is used or stored.

NOTE: EHRS may need to revise/amend the university permit with the TTB if the location is new and/or not currently listed on the permit. This may take several months to complete.

3.2 Pennsylvania Liquor Control Board (PLCB) Alcohol Permit

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A PLCB alcohol tax-exempt (AE) permit is required to purchase tax-free alcohol in the Pennsylvania.

3.2.1 Obtaining a PLCB AE Alcohol Permit

The PLCB requires that individuals (licensees) who want to obtain a PLCB permit must first register for an electronic **PLCB+** account. Use the Register Here link on the PLCB+ webpage to register for an account. PLCB will issue a licensee # (LID) and a permit # (AE-XXXX) once approved.

PLCB+ access and a PLCB permit will be required to legally purchase tax-free alcohol in the state of Pennsylvania.

- Temple University and their respective departments should be listed on the PLCB AE permit. Example: Temple University-Department Name.
- The specific Delivery building/location address must be listed on the PLCB permit. Separate permits will be required for different buildings/locations.

Contact PLCB via ra-lblicensingmod@pa.gov for assistance in obtaining a PLCB permit and/or access to PLCB+.

4. ORDERING TAX-FREE ALCOHOL

The University Federal Industrial Alcohol user permit and a PLCB AE permit are required to purchase Tax-Free alcohol in Pennsylvania.

- A valid University Federal Industrial Alcohol user permit must be supplied to the vendor/supplier.
- All orders for tax-free alcohol must be completed via a [Bulk Alcohol Purchase Order Request](#) through the PLCB. Only AE permittees may use this system, and a valid permit and license identification number are required.
- Use university approved vendors/suppliers for the purchase of Tax-Free alcohol. Consult with the vendor/supplier for additional requirements/conditions prior to placing an order of tax-free alcohol.
- The volume of tax-free alcohol ordered at one time should be kept to a minimum. The

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recommended maximum order volume is 5 gallons.

NOTE: Orders may not be processed if the location/building address listed on the order does not match those listed on the permit(s).

5. SECURE STORAGE

All alcohol, upon receipt must be transported at the time of delivery by the purchaser (or designated receiver) to a secure storage location and the amount immediately recorded into an inventory log. The secure storage location may be a cabinet under a chemical fume hood, flammable storage cabinet or a locked laboratory. The secure location should remain locked except when removing an amount of alcohol from the inventory.

NOTE: Alcohol cannot be transported from one building to another, offsite and must never be left unattended

6. LABELING

All mixtures and dilutions made using TFA must be labeled appropriately to ensure they are not inadvertently transported off the premises. Refer to the Temple University Chemical Hygiene Plan for labeling requirements.

7. INVENTORY

All individuals (licensee) who obtains tax-free alcohol must maintain an inventory of the tax-free alcohol they have in storage and records of its use, sufficient to identify any lost, stolen or destroyed alcohol. Records must be always kept current.

- Records of receipt: Consist of the invoice, bill or bill of lading, or another document used for the intended purpose. Records of receipt shall record the proof, date of transaction, and quantity of tax-free alcohol received.
- Records of usage: Identify the tax-free alcohol by quantity, proof, and purpose of removal.
- A physical inventory of tax-free alcohol in a laboratory's possession must be taken annually. These inventories may be recorded separately or as an entry in the record of usage with any necessary adjustments (losses or gains).

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- All alcohol must also be inventoried in TU-EHSA

It is recommended that the inventory is reconciled periodically, especially when new alcohol is purchased and placed in inventory.

8. DISPOSAL

All unused alcohol must be disposed of through EHRS. Empty alcohol containers must be rinsed and defaced and disposed of as regular trash.

CAUTION: Intentional dilution or evaporation of alcohol or any other waste as a substitute for proper disposal is illegal.

9. RECORDKEEPING

Permits and records of purchase, receipt, use logs, or loss must be maintained on file wherever the alcohol is used/or stored for a period of three (3) years. Records must be available upon request.

10. REFERENCES

10.1 [Temple University Chemical Hygiene Program](#)

10.2 [29 CFR -Part 22-Alcohol and Tobacco Products and Firearms \(TTB\)\](#)

10.3 [Pennsylvania Liquor Control Board \(PLCB\)](#)