

## **“Tax Free” Ethyl Alcohol Usage and Accountability**

Usage of ethyl alcohol also known as "Tax-Free Alcohol" is regulated by the Department of Justice under the US Alcohol, Tobacco Trade Bureau, (formerly known as the ATF). UAB has an approved Industrial Alcohol Permit (TF-AL-133) that allows us to purchase ethyl alcohol, free of the Federal Alcohol Tax. The use of this alcohol is restricted to scientific, medicinal, and mechanical purposes. Users must maintain positive control over supplies received, used and stored that can be verified by departmental records. These records must be available for audit at any time.

The following guidelines must be followed when purchasing tax free alcohol.

- 1) All purchase orders for tax free ethanol must contain a statement “purchased under alcohol permit number TF-AL-133”.
- 2) All records of usage and purchase must be made available by the department at all times for audit purposes.
- 3) Authority to purchase tax free ethyl alcohol should be limited to no more than one or two individuals in a department.
- 4) Tax free ethyl alcohol must only be used for scientific research or medicinal purposes and must not be used for beverage purposes or in any food product.
- 5) Tax free ethyl alcohol should not be used if another alcohol will work for the same purpose.