

“(b) No special tax shall be imposed upon apothecaries as to wines or spirituous liquors which they use exclusively in the preparation or making up of medicines unfit for use for beverage purposes.

Apothecaries; wines, etc., used in medicines.

“(c) No special tax shall be imposed upon manufacturing chemists or flavoring-extract manufacturers for recovering tax-paid alcohol or spirituous liquors from dregs or marc of percolation, or extraction, if such recovered alcohol or spirituous liquors be again used in the manufacture of medicines or flavoring extracts of the kind in the production of which originally used.”

Manufacturing chemists and flavoring-extract manufacturers, recovery of alcohol, etc., by.

SEC. 329. (a) Section 3 of Title III of the National Prohibition Act, as amended (U. S. C., 1934 ed., title 27, sec. 73; U. S. C., 1934 ed., Supp I, title 27, sec. 73), is amended by adding at the end thereof the following new sentence: “Permanent tanks and other structures located on the industrial alcohol plant premises and approved by the Commissioner, shall be deemed to be warehouses within the meaning of this section.”

Warehouses. Permanent tanks, etc., as. Vol. 41, p. 319; *Ante*, p. 876. U. S. C., p. 1221; Supp. I, p. 187.

(b) The third paragraph of section 11 of Title III of the National Prohibition Act, as amended and supplemented, is amended by inserting after the word “sanatorium” a comma and the following: “or for the use of any clinic operated for charity and not for profit, including use in the compounding of bona fide medicines for treatment outside of such clinics of patients thereof, but not for sale”.

Charity clinics, etc. Withdrawal of tax free alcohol for. Vol. 41, p. 321; *Ante*, p. 876. U. S. C., p. 1221; Supp. I, p. 187.

(c) Title III of the National Prohibition Act, as amended, and all provisions of the internal revenue laws relating to the enforcement thereof, are hereby extended to and made applicable to Puerto Rico and the Virgin Islands, from and after August 27, 1935. The respective Insular Governments shall advance to the Treasury of the United States such funds as may be required from time to time by the Secretary of the Treasury for the purpose of defraying all expenses incurred by the Treasury Department in connection with the enforcement in Puerto Rico and the Virgin Islands of the said Title III and regulations promulgated thereunder. The funds so advanced shall be deposited in a separate trust fund in the Treasury of the United States and shall be available to the Treasury Department for the purposes of this subsection.

Puerto Rico and Virgin Islands. Provisions extended to. Vol. 41, p. 319; U. S. C., p. 1220. Advances by respective governments for administrative expenses.

Deposit of, as separate trust fund.

SEC. 330. The last paragraph of section 610 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., Supp. I, title 26, sec. 1310 (d)), is amended to read as follows:

*Ante*, p. 987. U. S. C., Supp. I, p. 185.

“The provisions of the internal-revenue laws applicable to natural wine shall apply in the same manner and to the same extent to citrus-fruit wines, peach wines, cherry wines, berry wines, apricot wines, and apple wines, which are the products, respectively, of normal alcoholic fermentation of the juice of sound ripe (1) citrus-fruit (except lemons and limes), (2) peaches, (3) cherries, (4) berries, (5) apricots, or (6) apples, with or without the addition of dry cane, beet, or dextrose sugar (containing, respectively, not less than 95 per centum of actual sugar, calculated on a dry basis) for the purpose of perfecting the product according to standards, but without the addition or abstraction of other substances, except as may occur in the usual cellar treatment of clarifying or aging.”

Provisions applicable to natural wine extended.

SEC. 331. Section 612 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., Supp. I, title 26, sec. 1301) is amended to read as follows:

*Ante*, p. 988. U. S. C., Supp. I, p. 184.

“SEC. 612. (a) Under such regulations and official supervision and upon the giving of such notices and entries as the Commissioner, with the approval of the Secretary, may prescribe, any producer of wines defined under the provisions of this title may withdraw from any fruit distillery or Internal Revenue Bonded Warehouse grape brandy, or wine spirits, for the fortification of such wines on the

Fortification of wines, withdrawing grape brandy or wine spirits for. Provisions extended.