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Federal Shutdown Halts Key Wine Industry Approvals and Disrupts Business Operations

Wineries face delays in label approvals, permits, and exports as regulatory agency closures threaten seasonal releases and financial stability.

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The U.S. Wine Institute has issued a warning to wineries and related businesses following the federal government shutdown that began on October 1, 2025. The shutdown, caused by Congress and the White House failing to agree on a funding bill, has led to the closure of most federal agencies, including the Alcohol and Tobacco Tax and Trade Bureau (TTB). This agency is responsible for regulating and approving key aspects of the wine industry.

With the TTB closed, wineries are unable to obtain new Certificates of Label Approval (COLAs), formula approvals, or permits. Applications can still be submitted electronically, but they will not be processed until the government reopens. Updates to existing permits or business information are also suspended for the duration of the shutdown.

Industry leaders expect significant delays once TTB operations resume. The Wine Institute has advised that a backlog is likely, and businesses may be asked to withdraw duplicate or unnecessary filings to help clear the system more quickly when services restart.

Despite these disruptions, wineries are still required to file and pay federal excise taxes by their usual deadlines. The Wine Institute emphasized that tax obligations remain in effect even though other regulatory services are unavailable.

The shutdown’s impact is being felt across the wine sector, particularly among producers who need timely approvals for new products or changes in business operations. Importers and exporters are also affected, as import and export certifications are not being processed during this period.

There is currently no estimate for how long the shutdown will last. The Wine Institute has encouraged members to contact its Washington, D.C. office with questions or concerns about navigating the situation. The organization said it will continue to provide updates as more information becomes available from federal authorities.

The shutdown comes at a critical time for many wineries preparing for seasonal releases and export shipments. Industry representatives say that any prolonged delay could disrupt business plans and lead to financial losses, especially for smaller

producers who rely on timely regulatory approvals.

As the situation develops, wine businesses across the country are monitoring government negotiations closely, hoping for a resolution that will allow TTB services to resume without further delay.