

2009 TTB Expo Presentation

Required Records — Tobacco Manufacturers

Presented by

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Overview

- State TTB's mission in regulating the tobacco industry.
- Discuss the types of records and reports required by TTB's regulations.
- Outline the reasons for the required records and reports maintained by a manufacturer of tobacco products.

TTB's Role in the Industry

TTB's Mission

- TTB's mission in regulating the tobacco industry is protection of the revenue and assurance of compliance with all laws and regulations administered by TTB.

Required Records

27 CFR 40.181 — 40.187

27 CFR 40.181

- Every manufacturer of tobacco products must keep records of his operations and transactions which shall reflect, for each day, the information specified in §§40.182 and 40.183.
- For this purpose day shall mean calendar day.
- No specific form is required. The manufacturer may use commercial records from which the required information may be readily ascertained for this purpose.

27 CFR 40.182

- Record of tobacco, other than tobacco products:
 - Received
 - Name and address of the person from whom received
 - Example: invoice showing what was received
 - Shipped or delivered:
 - Example: BOL or invoice to customer
 - Lost:
 - Example: Inventory records
 - Destroyed

27 CFR 40.183

- The record of a manufacturer of tobacco products shall show the **date** and **total quantities** of all tobacco products, **by kind**:
 - (a) Manufactured (example, daily production reports);
 - (b) Received in bond by:
 - (1) Transfer from other factories;
 - (2) Release from Customs custody;
 - (3) Transfer from export warehouses; and
 - (4) Transfer from foreign trade zone.
- Examples include invoice and BOL

27 CFR 40.183 (Continued)

(c) Received by return to bond;

- Example: return authorization, BOL, credit memo

(d) Disclosed as an overage by inventory;

- Example: inventory report

(e) Removed subject to tax;

- Example: invoice, BOL

27 CFR 40.183 (Continued)

- (f) Removed, in bond, for:
 - (1) Export,
 - (2) Transfer to export warehouses,
 - (3) Transfer to other factories,
 - (4) Transfer to a foreign trade zone,
 - (5) Use of the United States, and
 - (6) Experimental purposes off factory premises.
- Examples include invoices, TTB F 5200.14, and BOL

27 CFR 40.183 (Continued)

- (g) Otherwise disposed of, without determination of tax, by:
 - (1) Consumption by employees on factory premises,
 - (2) Consumption by employees off factory premises, together with the number of employees to whom furnished,
 - (3) Use for experimental purposes on factory premises,
 - (4) Loss,
 - (5) Destruction, and
 - (6) Reduction to materials.
- Examples: internal requisitions, BOLs, insurance claims, and internal transfer requisitions

27 CFR 40.183 (Continued)

- (h) Disclosed as a shortage by inventory (example: inventory report); and
- (i) On which the tax has been determined and which are:
 - (1) Received, and
 - (2) Disposed of.
 - Example: invoices, BOL

27 CFR 40.184

- Record in support of removals subject to tax:
 - Every manufacturer of tobacco products must keep a record of tobacco products removed from the factory subject to tax.
 - The manufacturer must make entries in this record at the time of removal.

Record for Each Removal Must Show

- The date of removal;
- The name and address of the person to whom shipped or delivered;
- The kind and quantity of tobacco products removed; and
- For large cigars, show the sale price.
 - If the sale price is more than \$763.222 per thousand, you may place a note to that effect in the record instead of the actual price.

Exceptions

- The record of removal may consist of the manufacturer's commercial documents:
 - Such as copies of invoices.
 - If commercial documents are used, they must be kept at the factory, contain all the details required by this section, and be clear and accurate.

27 CFR 40.185

- All records required to be kept under this part shall be retained by the manufacturer for 3 years following the close of the calendar year in which filed or made.
- Such records shall be kept in the factory or a place convenient thereto, and shall be made available for inspection by any TTB officer upon request.

27 CFR 40.186

- Records in support of transfers in bond:
 - Every manufacturer of tobacco products shall keep a supporting record of tobacco products transferred in bond to or received in bond from other factories (commercial records such as invoice or BOL).
 - They shall make the entries therein at the time of each receipt or removal of such products (daily record).
 - Such supporting records shall show the date of receipt or removal, the name of the manufacturer and address of the factory from which received or to which removed or the permit number of such factory, and the kind and quantity of tobacco products (commercial records such as invoice or BOL).
 - Commercial records containing the information required are acceptable (most common are invoices, PO, BOLs, etc.).

27 CFR 40.187

- Record of sales price of large cigars:
 - Every manufacturer of tobacco products who removes large cigars from the factory shall keep such records as are necessary to establish and verify the price for which the cigars are sold, in accordance with §40.22.
 - The record shall be a continuing one of each brand and size of cigar so that the sale price on which the tax is based may be readily ascertained.

Inventories and Reports

27 CFR 40.201 — 40.202

27 CFR 40.201

- Inventories are required for all tobacco products on TTB F 5210.9:
 - At the time of commencing business;
 - At the time of transferring ownership;
 - At the time of changing the location of his factory to a different region;
 - At the time of concluding business; and
 - At such other time as any TTB officer may require.

Inventory form TTB F 5210.9 available on the TTB Web site

OMB No. 1513-0032 (03/31/2010)

DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) INVENTORY - MANUFACTURER OF TOBACCO PRODUCTS <i>(File in duplicate - See instructions below)</i>		FOR TTB USE ONLY																											
1. NAME OF MANUFACTURER		AUDITED BY _____																											
3. ADDRESS OF FACTORY <i>(Number, Street, City, State and ZIP Code)</i>		DATE OF AUDIT _____																											
4. TYPE OF INVENTORY <i>(Check applicable box)</i> <input type="checkbox"/> COMMENCING <input type="checkbox"/> CONCLUDING <input type="checkbox"/> SPECIAL		2. PERMIT NUMBER TP- _____																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%; padding: 2px;">ARTICLE</th> <th style="width: 30%; padding: 2px;">6. IN BOND</th> <th style="width: 35%; padding: 2px;">7. TAX DETERMINED</th> </tr> </thead> <tbody> <tr><td style="padding: 2px;">a. Small Cigarettes <i>(number)</i></td><td></td><td></td></tr> <tr><td style="padding: 2px;">b. Large Cigarettes <i>(number)</i></td><td></td><td></td></tr> <tr><td style="padding: 2px;">c. Small Cigars <i>(number)</i></td><td></td><td></td></tr> <tr><td style="padding: 2px;">d. Large Cigars <i>(number)</i></td><td></td><td></td></tr> <tr><td style="padding: 2px;">e. Chewing Tobacco <i>(pounds and ounces)</i></td><td></td><td></td></tr> <tr><td style="padding: 2px;">f. Snuff <i>(pounds and ounces)</i></td><td></td><td></td></tr> <tr><td style="padding: 2px;">g. Pipe Tobacco <i>(pounds and ounces)</i></td><td></td><td></td></tr> <tr><td style="padding: 2px;">h. Roll-Your-Own Tobacco <i>(pounds and ounces)</i></td><td></td><td></td></tr> </tbody> </table>		ARTICLE	6. IN BOND	7. TAX DETERMINED	a. Small Cigarettes <i>(number)</i>			b. Large Cigarettes <i>(number)</i>			c. Small Cigars <i>(number)</i>			d. Large Cigars <i>(number)</i>			e. Chewing Tobacco <i>(pounds and ounces)</i>			f. Snuff <i>(pounds and ounces)</i>			g. Pipe Tobacco <i>(pounds and ounces)</i>			h. Roll-Your-Own Tobacco <i>(pounds and ounces)</i>			5. DATE OF INVENTORY _____
ARTICLE	6. IN BOND	7. TAX DETERMINED																											
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h. Roll-Your-Own Tobacco <i>(pounds and ounces)</i>																													
Under the penalties of perjury, I declare that this inventory includes all cigars, cigarettes, chewing tobacco, snuff, pipe tobacco, and roll-your-own tobacco required to be accounted for and is, to the best of my knowledge and belief, true and accurate.																													
8. SIGNATURE _____		9. DATE _____																											
10. TITLE OR STATUS <i>(State whether individual owner, member of firm, or if officer of corporation, give title)</i>																													
TO BE EXECUTED ONLY WHEN INVENTORY IS VERIFIED BY TTB OFFICER. I have examined the cigars, cigarettes, chewing tobacco, snuff, pipe tobacco, and roll-your-own tobacco reported in this inventory and am satisfied that the inventory is accurate.																													
11. SIGNATURE OF TTB OFFICER _____	12. TITLE _____	13. DATE _____																											

PAPERWORK REDUCTION ACT NOTICE

This request is in accordance with the Paperwork Reduction Act of 1995. The purpose of this information is to establish a basis for verification of tax liability. This form is subject to TTB inspection. Completion of this form is mandatory. (26 U.S.C. 5721 and 5741).

The estimated average burden associated with this collection of information is 5 hours per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to the Reports Management Officer, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, D.C. 20220.

An agency may not conduct or sponsor, and an individual is not required to respond to, a collection of information unless it displays a current, valid OMB control number.

27 CFR 40.202

- Monthly report is required on TTB F 5210.5:
 - Monthly Report – Manufacturer of Cigarette Papers and Tubes

It is imperative that the monthly report is accurate, complete, and timely filed!

Export Warehouses

27 CFR 44.142

- Required daily records of products by quantity, type, and kind:
 - Received
 - Shipped or delivered
 - Destroyed
 - Lost
 - Returned to manufacturer or Customs warehouse

Required Records

27 CFR 44.198

- Inventories are required for all tobacco products on TTB F 5220.3:
 - At the time of commencing business;
 - At the time of transferring ownership;
 - At the time of changing the location of factory to a different region;
 - At the time of concluding business; and
 - At such other time as any TTB officer may require.

Required Records

27 CFR 44.198 (Continued)

- The Notice of Removal of Tobacco Products on TTB F 5200.14 is required:
 - Must keep form for all products received at and removed from warehouse.
 - Applies to manufacturers who remove tobacco products or cigarette papers and tubes from their factories.
- The records and copies of TTB F 5200.14 shall be retained for 3 years following the close of the calendar year in which the shipments were received or removed.

27 CFR 44.147 – 44.149

- Monthly report is required on TTB F 5220.4
 - Monthly Report – Proprietor Export Warehouse

It is imperative that the monthly report is accurate, complete, and timely filed!

27 CFR 44.181 – 44.187

- Record of sale price of large cigars:
 - If the sale price is more than \$763.222 per thousand, you may place a note to that effect in the record instead of the actual price.

Cigarette Dealers

Cigarette Dealer Definition

- **Dealer:**
 - Any person who sells, or offers for sale, at wholesale or retail levels, any cigars or cigarettes after removal for a factory or importer.

Required Records

- Records must be maintained for at least 3 years by certain distributors of cigarettes (Coble Amendment to the Contraband Cigarette Trafficking Act [CCTA], 18 U.S.C. 2342).
- Each disposition of more than 10,000 cigarettes.
- Records must contain date, name of purchaser or recipient, address of destination of cigarettes.

**27 CFR 46.163 — 46.168
and CCTA**

Examples of Records

Examples Forms and Memos

- Daily summary
- Request for an alternate procedure
- Destruction of product in bond

Request for Alternate Procedure

Company Letterhead

June 1, 2009

To: NRC Specialist

From: Taxpayer

Re: Request for alternate procedure for TP-XX-XXX

Dear sir,

We recently changed packaging for our ABC cigarettes in the hard pack. We recently discovered that the ABC hard packs did not have the quantity (20) as required by 27 CFR 40.215. The hard pack is a new style and the soft packs used a closure that included the quantity. Upon discovering this, we immediately took action to correct this oversight in the packaging artwork. We have on hand approximately a 3 month supply based on our sales projections.

The ABC hard pack is packaged in the standard size packages of 20 per pack. There is no jeopardy to the tax revenue and this does not cause additional risk to the public since it is a standard size package. We request permission to use up the supply of packaging for the ABC hard packs.

Taxpayer representative signature

Request for an in bond Destruction

LETTERHEAD
DATE

Chief, National Revenue Center
National Revenue Center
Tax and Trade Bureau
550 Main Street
Room 8002
Cincinnati, Ohio 45202

Dear:

We respectfully request permission to destroy a quantity of tobacco products. An authorized employee will supervise this destruction. The method of destruction will be by means of being crushed under the tracks of a bulldozer at the _____ County landfill and subsequently buried beneath _____ feet of earth. This request covers _____ small cigarettes, etc. which are now on hand in our factory TP-XX - _____. These are cigarettes that were originally shipped tax paid and have been returned from the market. Claims for refund of the tax have been approved and applied against tax returns. _____ trips to the landfill should be required for this quantity of cigarettes.

Please respond with your approval for us to begin the destruction or inform us of any additional instructions. I can be reached at XXX-XXX-XXXX. To expedite our destruction, you can also fax your approval to us at XXX-XXX-XXXX.

Sincerely,

Responsible employee with power of attorney or signature authority

Compliance Issues

Common Issues at Audit

- Most common findings identified during a tax audit
- They are broken down into:
 - Tax Issues
 - Compliance Issues
 - Internal Control Weaknesses

Tax Issues

- Late excise tax payments (27 CFR 40.168)
- Late filed excise tax returns (27 CFR 40.165)
- Payment not made by Electronic Funds Transfer (27 CFR 40.165(a)) — Taxpayers who exceed \$5M in one year must use EFT
- Wrong tax rate used for large cigars (27 CFR 40.22)

Tax Issues (Continued)

- Inventory shortages not tax paid (27 CFR 40.255)
- Domestic sales to military exchanges not tax paid (27 CFR 40.161)
- No adequate proof of export (27 CFR 44.61-66)
- Decreasing adjustments taken for imported cigarette returns from market (27 CFR 41.163)
- Incorrectly calculated taxable removals (27 CFR 40.161)

Tax Issues (Continued)

- In bond freight charges not connected with taxable sale are not included in sales prices for large cigars (27 CFR 40.22 and 26 U.S.C. 4216)
- Monthly Report and Excise Tax Return do not match for removals (27 CFR 40.183(e); 40.184; 40.161, and 40.202(a)(5))
- Employee cigarette consumption not properly documented (27 CFR 40.231)

Tax Issues (Continued)

- Tax free cigarettes used for experimental purposes not properly supported (27 CFR 40.232)
- Cigarettes tax paid at incorrect rate (27 CFR 40.11)
- Tobacco packages overfilled to compensate for future weight loss due to aging for chewing tobacco, snuff, and pipe tobacco (27 CFR 40.161)

Tax Issues (Continued)

- In bond products destroyed without TTB approval (27 CFR 40.253)
- Forms 5200.7 approved by TTB without supervision; report of disposition not signed and dated (27 CFR 40.253)
- Cigarettes removed and exported did not have required export mark, label, or notice (27 CFR 44.185)

Compliance Issues

- Late filed or inaccurate monthly reports (27 CFR 40.202):
 - The monthly report is the primary tool used by the NRC to monitor activity, and it is imperative that they are accurate.
- Tax paid and non tax paid tobacco products not segregated (27 CFR 40.254)

Compliance Issues (Continued)

- Changes in officers and directors not reported to NRC within 30 days (27 CFR 40.103)
- Permits not updated accordingly when changes occur (27 CFR part 40 subpart F)
- Bond not adequate (27 CFR 40.136; see part 40 subpart G)
- Daily records of activity not adequate or complete (27 CFR 40.183)
- Improper markings on packages (27 CFR 40.211 — 40.216b)

Compliance Issues (Continued)

- Monthly reports and excise tax returns signed by person without signing authority (27 CFR 40.68)
- Records not retained relating to daily activity (27 CFR 40.185)
- Alternate reporting day not approved (27 CFR 40.181)
- Losses – other than theft – not adequately supported (27 CFR 40.301)
- Approved alternate procedure not followed (27 CFR 40.45)

Compliance Issues (Continued)

- Special tax stamp not at all locations covered (27 CFR 40.35)
- All manufactured cigarettes not included in inventory (27 CFR 40.202)
- Re-landing previously exported cigarettes (27 CFR 41.82)
- Other operations not approved by TTB (27 CFR 40.47 and 40.72)

Compliance Issues (Continued)

- Ending balances do not match beginning balances for next month (27 CFR 40.202)
- Permit file not available for inspection (27 CFR 40.76)
- Export warehouse destroyed cigarettes without notifying NRC (27 CFR 44.213)
- Destruction of imported cigarettes without notifying NRC (27 CFR 41.170 — 41.174)

Control Weaknesses

- Disaster recovery procedures not in place
- Backup files not secured in separate location
- No written procedures for some areas of activity
- Passwords not required; data center not secured
- Numerous “shipping errors”

Control Weaknesses (Continued)

- Lack of sufficient backup personnel responsible for Federal excise tax payments or reporting
- Lack of segregation of duties
- Terminated employees still on access lists

Reports

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)

FOR TTB USE ONLY
Audited By _____ Date Of Audit _____

REPORT - MANUFACTURER OF TOBACCO PRODUCTS OR CIGARETTE PAPERS AND TUBES

1. My Employer Identification Number (Read instruction E.) [] [] - [] [] [] [] [] []	2. TTB Permit Number (Read instruction F.)	3. Report Covers Period of: (Read instruction G.)	4. <input type="checkbox"/> This report is my first report. 5. <input type="checkbox"/> This report is my last report and I have attached my permit OR my permit is not attached because:
---	--	---	--

6. (Name and Address) (as listed on my TTB permit)

	Large Cigars (Number) (a)	Small Cigars (Number) (b)	Large Cigarettes (Number) (c)	Small Cigarettes (Number) (d)	Chewing Tobacco (Pounds) (e)
7. On Hand, In Bond, Start of Period					
8. Manufactured					
9. Received Without Payment of Tax:	a. From other factories				
	b. From customs custody	NO ENTRY	NO ENTRY	NO ENTRY	NO ENTRY
	(1) Puerto Rico				
	(2) Other than Puerto Rico				
	c. From export warehouses				
d. From foreign trade zones					
10. Received by Return to Bond					
11. Overages Disclosed by Inventory					
12. Other (Specify)					
13. TOTAL					
14. Removed Subject to Tax					
15. Removed Without Payment of Tax:	a. For export				
	b. To export warehouses				
	c. To other factories				
	d. To foreign trade zones				
	e. For use of United States (Read instruction H)				
	f. For experimental purposes off factory premises				
16. Otherwise Disposed of Without Determination of Tax by:	a. Consumption by employees off factory premises				
	b. Consumption by employees on factory premises				
	c. Use for experimental purposes on factory premises				
	d. Loss				
	e. Destruction				
	f. Reduction to tobacco				
17. Shortages Disclosed by Inventory (Read instruction I.)					
18. Other (Specify)					
19. On Hand, In Bond, End of Period					
20. TOTAL					

Filing an Operational Report

- TTB F 5210.5, Report – Manufacturer of Tobacco Products or Cigarette Papers and Tubes:
 - Reports are due by the 20th day of the month succeeding the reporting period (27 CFR 40.202).
 - A manufacturer must file a report for every month regardless of whether there has been any activity or not, or if manufacturing has commenced.

Important Tips

- The report must cover the entire calendar month; it cannot be broken down into tax periods.
- The address on the report must match the premises address TTB has on file for the active permit.

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)

FOR TTB USE ONLY
Audited By _____ Date Of Audit _____

REPORT - MANUFACTURER OF TOBACCO PRODUCTS OR CIGARETTE PAPERS AND TUBES

1. My Employer Identification Number (Read instruction E.) [] [] - [] [] [] [] [] []	2. TTB Permit Number (Read instruction F.)	3. Report Covers Period of: (Read instruction G.)	4. <input type="checkbox"/> This report is my first report. 5. <input type="checkbox"/> This report is my last report and I have attached my permit OR my permit is not attached because:
---	--	---	--

6. (Name and Address) (as listed on my TTB permit)

	Large Cigars (Number) (a)	Small Cigars (Number) (b)	Large Cigarettes (Number) (c)	Small Cigarettes (Number) (d)	Chewing Tobacco (Pounds) (e)
7. On Hand, In Bond, Start of Period					
8. Manufactured					
9. Received Without Payment of Tax:	a. From other factories				
	b. From customs custody	NO ENTRY	NO ENTRY	NO ENTRY	NO ENTRY
	(1) Puerto Rico				
	(2) Other than Puerto Rico				
	c. From export warehouses				
d. From foreign trade zones					
10. Received by Return to Bond					
11. Overages Disclosed by Inventory					
12. Other (Specify)					
13. TOTAL					
14. Removed Subject to Tax					
15. Removed Without Payment of Tax:	a. For export				
	b. To export warehouses				
	c. To other factories				
	d. To foreign trade zones				
	e. For use of United States (Read instruction H)				
	f. For experimental purposes off factory premises				
16. Otherwise Disposed of Without Determination of Tax by:	a. Consumption by employees off factory premises				
	b. Consumption by employees on factory premises				
	c. Use for experimental purposes on factory premises				
	d. Loss				
	e. Destruction				
	f. Reduction to tobacco				
17. Shortages Disclosed by Inventory (Read instruction I.)					
18. Other (Specify)					
19. On Hand, In Bond, End of Period					
20. TOTAL					

	Snuff (Pounds) (f)	Pipe Tobacco (Pounds) (g)	Roll Your Own Tobacco (Pounds) (h)	Cigarette Papers (Number) (Read instruction J) (i)	Cigarette Tubes (Number) (j)
7. On Hand, In Bond, Start of Period					
8. Manufactured					
9. Received Without Payment of Tax:	a. From other factories				
	b. From customs custody	NO ENTRY	NO ENTRY	NO ENTRY	NO ENTRY
	(1) Puerto Rico				
	(2) Other than Puerto Rico				
	c. From export warehouses				
d. From foreign trade zones					
10. Received by Return to Bond					
11. Overages Disclosed by Inventory					
12. Other (Specify)					
13. TOTAL					
14. Removed Subject to Tax					
15. Removed Without Payment of Tax:	a. For export				
	b. To export warehouses				
	c. To other factories				
	d. To foreign trade zones				
	e. For use of United States (Read instruction H)				
	f. For experimental purposes off factory premises				
16. Otherwise Disposed of Without Determination of Tax by:	a. Consumption by employees off factory premises			NO ENTRY	NO ENTRY
	b. Consumption by employees on factory premises			NO ENTRY	NO ENTRY
	c. Use for experimental purposes on factory premises			NO ENTRY	NO ENTRY
	d. Loss				
	e. Destruction				
	f. Reduction to tobacco			NO ENTRY	NO ENTRY
17. Shortages Disclosed by Inventory (Read instruction L)					
18. Other (Specify)					
19. On Hand, In Bond, End of Period					
20. TOTAL					

21. Large Cigars Removed Subject to Tax (Sum of a. and b. should agree with Item 14(a))

a. Number Removed with Sale Price Per Thousand of \$235.294 or Less

b. Number Removed with Sale Price Per Thousand of More Than \$235.294

UNDER PENALTIES OF PERJURY, I DECLARE THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THIS REPORT IS TRUE, ACCURATE, AND COMPLETE.

22. Signature (Read instruction K.)

23. My Title for This Business (Examples: owner, partner, corporate title, or power of attorney.)

24. Date

25. My Business Telephone Number (Optional)

26. My E-Mail Address (Optional)

Check Your Bond

- You should periodically check to ensure you have adequate bond coverage.
- Minimum bond coverage is no less than \$1,000; the maximum bond tops out at \$250,000.

Determining Bond Coverage

- For each column in the report that you have entries (columns A – J), add line 8 to lines 9a, 9b, and 9c.
- Multiply your total by the appropriate tax rate for that column.
- Add your totals for each column together.
- This is the least amount of bond coverage you should have.

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)

REPORT - MANUFACTURER OF TOBACCO PRODUCTS OR CIGARETTE PAPERS AND TUBES

FOR TTB USE ONLY

Audited By _____ Date Of Audit _____

1. My Employer Identification Number (Read instruction E.)

□□-□□□□□□□□

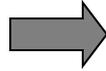
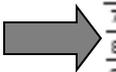
2. TTB Permit Number (Read instruction F.)

Report Covers Period of: (Read instruction G.)

4. This report is my first report.

5. This report is my last report and I have attached my permit OR my permit is not attached because:

6. (Name and Address) (as listed on my TTB permit)



		Large Cigars (Number) (a)	Small Cigars (Number) (b)	Large Cigarettes (Number) (c)	Small Cigarettes (Number) (d)	Chewing Tobacco (Pounds) (e)
7. On Hand, In Bond, Start of Period						
8. Manufactured						
Received Without Payment of Tax:	9. a. From other factories					
	b. From customs custody	NO ENTRY	NO ENTRY	NO ENTRY	NO ENTRY	NO ENTRY
	(1) Puerto Rico					
	(2) Other than Puerto Rico					
	c. From export warehouses					
	d. From foreign trade zones					
10. Received by Return to Bond						
11. Overages Disclosed by Inventory						
12. Other (Specify)						
13. TOTAL						
14. Removed Subject to Tax						
Removed Without Payment of Tax:	15. a. For export					
	b. To export warehouses					
	c. To other factories					
	d. To foreign trade zones					
	e. For use of United States (Read instruction H)					
	f. For experimental purposes off factory premises					
	Otherwise Disposed of Without Determination of Tax by:	16. a. Consumption by employees off factory premises				
b. Consumption by employees on factory premises						
c. Use for experimental purposes on factory premises						
d. Loss						
e. Destruction						
f. Reduction to tobacco						
17. Shortages Disclosed by Inventory (Read instruction I.)						
18. Other (Specify)						
19. On Hand, In Bond, End of Period						
20. TOTAL						

Excise Tax Returns

Excise Taxes Filed on TTB F 5000.24

- Per 27 CFR 40.162, every manufacturer of tobacco products shall file, for each of his factories, a semi-monthly tax return for each return period, including any period during which a manufacturer begins or discontinues business.
- A return shall be executed and filed regardless of whether tobacco products are removed or whether tax is due for that particular return period.

Return Periods for Semi-Monthly Filers (Non-EFT)

- **27 CFR 40.163** — The periods to be covered by semi-monthly returns shall run from the 1st day through the 15th day of each month, and from the 16th through the last day of each month.
- **27 CFR 40.164** — Except for the month of September. The second semi-monthly period for the month of September shall be divided into two payment periods from the 16th day through the 26th day, and from the 27th day through the 30th day.

Due Dates for Semi-Monthly Filers (Non-EFT)

- Per 27 CFR 40.165, the proprietor shall file a semi-monthly tax return no later than the 14th day after the last day of the return period.
- Except for the month of September. The return from the 16th day to the 26th day shall be filed no later than September 29th. The return for the 27th – 30th day, shall be filed no later than October 14th.

Payment of Tax by Electronic Funds Transfer

- **27 CFR 40.165a:**

- Each taxpayer who was liable, during a calendar year, for a gross amount equal to or exceeding \$5M in taxes on tobacco products, cigarette papers, and cigarette tubes, shall use a commercial bank in making payment by electronic funds transfer (EFT) of taxes during the next succeeding calendar year.
- For each return filed in accordance with this part, the taxpayer shall direct the taxpayer's bank to make an EFT in the amount of the tax payment to the Treasury Account.

Payment of Tax by EFT (Continued)

- EFT payments may be made by Fedwire, ACH, or Pay.gov.
- The request shall be made to the bank early enough for the transfer to be made by no later than the close of business on the last day for filing the return.
- The request shall take into account any time limit established by the bank.

What Happens if the Excise Taxes Are Not Paid?

- 26 U.S.C. 6201 – “the Secretary is authorized and required to make assessments of all taxes” (including interest and assessable penalties).
- Assessment is a formal recording of a taxpayer’s tax liability.
- TTB is responsible for assessment of taxes due to the U.S. on tobacco products.

Penalties

- 26 U.S.C. chapter 68 allows for penalties to be imposed for delinquent taxes and returns:
 1. Failure to file
 2. Failure to pay
 3. Failure to deposit

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
EXCISE TAX RETURN
(Prepare in duplicate - See instructions below)

2. FORM OF PAYMENT
 CHECK MONEY ORDER EFT OTHER (Specify) _____

4. RETURN COVERS (Check one)
 PREPAYMENT PERIOD
 BEGINNING _____
 ENDING _____

5. DATE PRODUCTS TO BE REMOVED (For Prepayment Returns Only:)

6. EMPLOYER IDENTIFICATION NUMBER
 7. PLANT, REGISTRY, OR PERMIT NUMBER

8. NAME AND ADDRESS OF TAXPAYER (Include ZIP Code)

1. SERIAL NUMBER

3. AMOUNT OF PAYMENT
 \$ _____

NOTE: PLEASE MAKE CHECKS OR MONEY ORDERS PAYABLE TO THE ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (SHOW EMPLOYER IDENTIFICATION NUMBER ON ALL CHECKS OR MONEY ORDERS)

FOR TTB USE ONLY

TAX	\$ _____
PENALTY	_____
INTEREST	_____
TOTAL	\$ _____

EXAMINED BY: _____

DATE EXAMINED: _____

18. ADJUSTMENTS INCREASING AMOUNT DUE (From line 29)			
19. GROSS AMOUNT DUE (Line 17 plus line 18)		\$ _____	
20. ADJUSTMENTS DECREASING AMOUNT DUE (From line 34)			
21. AMOUNT TO BE PAID WITH THIS RETURN (Line 19 minus line 20)		\$ _____	
Under penalties of perjury I declare that I have examined this return (including any accompanying explanations, statements, schedules, and forms) and to the best of my knowledge and belief it is true, correct, and includes all transactions and tax liabilities required by law or regulations to be reported.			
22. DATE	23. SIGNATURE	24. TITLE	
SCHEDULE A - ADJUSTMENTS INCREASING AMOUNT DUE			
EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS		
	(b) TAX	(c) INTEREST	(d) PENALTY
25.	\$ _____		\$ _____
26.			
27.			
28. SUBTOTALS OF COLUMNS (b), (c) AND (d)	\$ _____	\$ _____	\$ _____
29. TOTAL ADJUSTMENTS INCREASING AMOUNT DUE (Line 28, Col (b) + (c) + (d)) Enter here and on line 18.			\$ _____
SCHEDULE B - ADJUSTMENTS DECREASING AMOUNT DUE			
EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS		
	(b) TAX	(c) INTEREST	
30.	\$ _____	\$ _____	
31.			
32.			
33. SUBTOTALS OF COLUMNS (b) and (c)	\$ _____	\$ _____	
34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE (Line 33, Col (b) + (c)) Enter here and on line 20.			\$ _____
TTB F 5000.24 (5/2005)			

DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) EXCISE TAX RETURN <i>(Prepare in duplicate - See instructions on back)</i>		OMB No. 1513-0083 (01/31/2005)
2. FORM OF PAYMENT <input type="checkbox"/> CHECK <input type="checkbox"/> MONEY ORDER <input type="checkbox"/> EFT <input type="checkbox"/> OTHER (Specify) _____	1. SERIAL NUMBER _____ 3. AMOUNT OF PAYMENT \$ _____	
4. RETURN COVERS (Check one) <input type="checkbox"/> PREPAYMENT <input type="checkbox"/> PERIOD	BEGINNING _____ ENDING _____ <small>NOTE: PLEASE MAKE CHECKS OR MONEY ORDERS PAYABLE TO THE ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (SHOW EMPLOYER IDENTIFICATION NUMBER ON ALL CHECKS OR MONEY ORDERS)</small>	

CALCULATION OF TAX DUE (Before making entries on lines 18 - 21, complete Schedules A and B)

PRODUCT (a)	AMOUNT OF TAX (b)
9. DISTILLED SPIRITS	\$
10. WINE	
11. BEER	
12. CIGARS	
13. CIGARETTES	
14. CIGARETTE PAPERS AND/OR CIGARETTE TUBES	
15. CHEWING TOBACCO AND/OR SNUFF	
16. PIPE TOBACCO AND/OR ROLL-YOUR-OWN TOBACCO	
17. TOTAL TAX LIABILITY (Total of lines 9-16)	\$
18. ADJUSTMENTS INCREASING AMOUNT DUE (From line 20)	
19. GROSS AMOUNT DUE (Line 17 plus line 18)	\$
20. ADJUSTMENTS DECREASING AMOUNT DUE (From line 34)	
21. AMOUNT TO BE PAID WITH THIS RETURN (Line 19 minus line 20)	\$

Under penalties of perjury I declare that I have examined this return (including any accompanying explanations, statements, schedules, and forms) and to the best of my knowledge and belief it is true, correct, and includes all transactions and tax liabilities required by law or regulations to be reported.

22. DATE	23. SIGNATURE	24. TITLE
----------	---------------	-----------

28. SUBTOTALS OF COLUMNS (b), (c) AND (d)	\$	\$	\$
29. TOTAL ADJUSTMENTS INCREASING AMOUNT DUE (Line 28, Col (b) + (c) + (d)) Enter here and on line 18.			\$
SCHEDULE B - ADJUSTMENTS DECREASING AMOUNT DUE			
EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS (a)	AMOUNT OF ADJUSTMENTS		
	(b) TAX	(c) INTEREST	
30.	\$	\$	
31.			
32.			
33. SUBTOTALS OF COLUMNS (b) and (c)	\$	\$	
34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE (Line 33, Col (b) + (c)) Enter here and on line 20.		\$	
TTB F 5000.24 (5/2005)			

DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) EXCISE TAX RETURN <i>(Prepare in duplicate - See instructions on back)</i>		1. SERIAL NUMBER
2. FORM OF PAYMENT <input type="checkbox"/> CHECK <input type="checkbox"/> MONEY ORDER <input type="checkbox"/> EFT <input type="checkbox"/> OTHER <i>(Specify)</i> _____		3. AMOUNT OF PAYMENT \$
4. RETURN COVERS <i>(Check one)</i> <input type="checkbox"/> PREPAYMENT <input type="checkbox"/> PERIOD		NOTE: PLEASE MAKE CHECKS OR MONEY ORDERS PAYABLE TO THE ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (SHOW EMPLOYER IDENTIFICATION NUMBER ON ALL CHECKS OR MONEY ORDERS)
BEGINNING _____ ENDING _____		
5. DATE PRODUCTS TO BE REMOVED <i>(For Prepayment Returns Only)</i>		FOR TTB USE ONLY
6. EMPLOYER IDENTIFICATION NUMBER	7. PLANT, REGISTRY, OR PERMIT NUMBER	TAX \$
		PENALTY
		INTEREST
		TOTAL \$
8. NAME AND ADDRESS OF TAXPAYER <i>(Include ZIP Code)</i>		EXAMINED BY:
		DATE EXAMINED:
CALCULATION OF TAX DUE <i>(Before making entries on lines 18 - 21, complete Schedules A and B)</i>		
PRODUCT <i>(a)</i>		AMOUNT OF TAX <i>(b)</i>
9. DISTILLED SPIRITS	\$	
10. WINE		
11. BEER		
12. CIGARS		
13. CIGARETTES		

SCHEDULE A - ADJUSTMENTS INCREASING AMOUNT DUE

EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS <i>(a)</i>	AMOUNT OF ADJUSTMENTS		
	<i>(b)</i> TAX	<i>(c)</i> INTEREST	<i>(d)</i> PENALTY
25.	\$		\$
26.			
27.			
28. SUBTOTALS OF COLUMNS (b), (c), AND (d)	\$	\$	\$
29. TOTAL ADJUSTMENTS INCREASING AMOUNT DUE <i>(Line 25, Col (b) + (c) + (d))</i> Enter here and on line 18.			\$

SCHEDULE B - ADJUSTMENTS DECREASING AMOUNT DUE

EXPLANATION OF INDIVIDUAL ERRORS OR TRANSACTIONS <i>(a)</i>	AMOUNT OF ADJUSTMENTS	
	<i>(b)</i> TAX	<i>(c)</i> INTEREST
30.	\$	\$
31.		
32.		
33. SUBTOTALS OF COLUMNS (b) and (c)	\$	\$
34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE <i>(Line 33, Col (b) + (c))</i> Enter here and on line 20.		\$

TTB F 5000.24 (5/2005)

32.		
33. SUBTOTALS OF COLUMNS (b) and (c)	\$	\$
34. TOTAL ADJUSTMENTS DECREASING AMOUNT DUE <i>(Line 33, Col (b) + (c))</i> Enter here and on line 20.		\$
TTB F 5000.24 (5/2005)		

What Products Are Not Taxable?

- Products that are:
 - Exported
 - Consumed on factory premises
 - Given to employees for off-premises consumption
(see 27 CFR 40.231)
- NOT tobacco products given away free in product promotions – these are taxable removals.

Claims

Claims Filed by Tobacco Product Manufacturers

Type of Claim	Required By
Abatement of assessment	27 CFR 40.281
Allowance of tax	27 CFR 40.282
Credit or refund of tax	27 CFR 40.283
Remission of tax liability	27 CFR 40.284
Refund of overpayment	27 CFR 40.286
Remission of tax liability on shortage	27 CFR 40.287
Disaster claims	27 CFR part 46, subpart C

Claims Filed (Continued)

- Of the seven claim types allowable to a tobacco manufacturer, the most commonly filed is the claim for credit or refund of tax on the basis of tobacco products withdrawn from the market.
- The taxes paid may be credited or refunded to a manufacturer on proof satisfactory to TTB that the claimant manufacturer paid the tax.

Claims Filed (Continued)

- Prepared on TTB F 5620.8, in duplicate and filed within 6 months from the date of withdrawal from the market.
- Shall include a statement that: “The tax imposed on tobacco products by 26 U.S.C. 7652 or Chapter 52, was paid in respect to the tobacco products covered by the claim, and that the products were lost, destroyed, or withdrawn from the market within 6 months preceding the date the claim is filed.”

Claims Filed (Continued)

- Claims involving large cigars withdrawn from the market, the manufacturer must include a statement that:
 - “The amounts claimed relating to large cigars are based on the lowest sale price applicable to the cigars during the required record retention period, except where specific documentation is submitted with the claim to establish that any greater amount of tax claimed was actually paid.”
- Shall be accompanied by TTB F 5200.7, Schedule of Tobacco Products, Cigarette Papers or Tubes Withdrawn from the Market, prepared and verified as prescribed in 27 CFR 40.311 and 40.313.

Abatement of Assessment Claim

- **27 CFR 40.281:**

- A claim for abatement of the unpaid portion of the assessment of any tax on tobacco products may be allowed to the extent such assessment is excessive in amount, is assessed after expiration of the applicable period of limitation, or is erroneously or illegally assessed.

Allowance of Tax

- **27 CFR 40.282:**
 - Relief from payment of tax on tobacco products may be extended to manufacturers by allowance of the tax where the tobacco products after removal from the factory upon determination of tax and prior to the payment of such, are lost or destroyed by fire, casualty, or act of God while in the possession or ownership of the manufacturer who removed such products or are withdrawn by him from the market.

Credit or Refund of Tax

- **27 CFR 40.283:**
 - The taxes paid on tobacco products may be credited or refunded (without interest) to a manufacturer on proof satisfactory to the appropriate TTB officer, that the claimant manufacturer paid the tax on tobacco products, are lost otherwise than by theft or destroyed by fire, casualty, or act of God while in the possession or ownership of the manufacturer or withdrawn by him from the market.

Remission of Tax Liability on Shortage

- **27 CFR 40.287:**
 - A manufacturer of tobacco products may submit a claim for remission of tax liability on shortages of tobacco products in bond disclosed by physical inventory as explained in 27 CFR 40.255.

Remission of Tax Liability

- **27 CFR 40.284:**

- Remission of the tax liability on tobacco products may be extended to the manufacturer liable for the tax where tobacco products in bond are lost (otherwise than by theft) or destroyed by fire, casualty, or act of God, while in the possession or ownership of such manufacturer.

Refund of Overpayment

- **27 CFR 40.286:**

- Where an error in computation of the quantity of tobacco products or in computation of the amount of tax due resulted in overpayment and the error is specifically identified and supported by records, the manufacturer may file a claim for refund or may make an adjustment on a semi-monthly tax return.

Disaster Claims

- **Section 5708 of the IRC and 27 CFR 46.71:**
 - Covers losses of tobacco products caused by a Presidentially declared disaster.
 - Claims for the refund of taxes on such losses must be filed within 6 months after the President makes the determination that a major disaster has occurred.

DEPARTMENT OF THE TREASURY
ALCOHOL, TOBACCO TAX AND TRADE BUREAU (ATTB)
CLAIM - ALCOHOL, TOBACCO, AND FIREARMS TAXES
(File in duplicate with the Alcohol and Tobacco Tax and Trade Bureau)

FOR TTB USE ONLY
CLAIM NUMBER

1. THIS CLAIM IS FILED UNDER THE PROVISIONS OF 27 CFR (where applicable section of regulations, such as 52, 49.203, or 49.173. See www.ittb.gov.)

2. REMISSION OF TAX ALLOWANCE OF CREDIT FOR TAX ABATEMENT OF TAX
 ALLOWANCE OF LOSS ALLOWANCE OF TAX REFUND OF TAX
 DRAWBACK-MNSP DRAWBACK-EXPORT OTHER (Specify)

3. NAME AND ADDRESS OF CLAIMANT (Telephone number and e-mail address optional)

4. EMPLOYER IDENTIFICATION NUMBER

5. PLANT, LICENSE, OR PERMIT NUMBER

6. KIND OF TAX

7. PERIOD, IF SPECIAL TAX OR MNSP ONLY (month(s))
FROM _____ TO _____

8. AMOUNT OF TAX

9. DATE(S) OF PAYMENT (for refund only)

10. DIRECT DEPOSIT, Optional 10a. ROUTING NUMBER

10b. TYPE CHECKING SAVINGS

10c. ACCOUNT NUMBER

11. BASIS OF CLAIM (Give the detailed information required by the applicable regulations under which the claim is filed and any other facts which will be the reviewing official of the exact basis for the claim. Please identify any documents or statements submitted in support of this claim.)

(Attach letter size sheets if more space is required)

PAPERWORK REDUCTION ACT NOTICE

This request is in accordance with the Paperwork Reduction Act of 1995. The information collection is used, along with other supporting documents, to obtain credit, remission, and allowance of tax on taxable articles (alcohol, beer, tobacco products, and firearms and ammunition) that have been lost, and to obtain refund of overpaid taxes and abatement of overestimated taxes. This information is required to obtain a benefit by 26 U.S.C. 5906, 5705, and 6416.

The estimated average burden associated with this collection of information is 1 hour per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to the Reports Management Officer, Regulations and Ruling Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, DC 20220.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current, valid OMB control number.

Under the penalties of perjury, I declare that I have submitted this claim, including supporting documents and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

12. SIGNATURE (Type or print name and the under or devise signature)

13. DATE

DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) CLAIM - ALCOHOL, TOBACCO, AND FIREARMS TAXES <i>(File in duplicate with the Alcohol and Tobacco Tax and Trade Bureau)</i>		OMB No. 1513-0020 (10/01/2011) FOR TTB USE ONLY CLAIM NUMBER
1. THIS CLAIM IS FILED UNDER THE PROVISIONS OF 27 CFR (later applicable section of regulations, such as 52, 49, 203, or 49, 173. See www.ttb.gov.)		
2. REMISSION OF TAX <input type="checkbox"/> ALLOWANCE OF CREDIT FOR TAX <input type="checkbox"/> ABATEMENT OF TAX <input type="checkbox"/> ALLOWANCE OF LOSS <input type="checkbox"/> ALLOWANCE OF TAX <input type="checkbox"/> REFUND OF TAX <input type="checkbox"/> DRAWBACK-MIBP <input type="checkbox"/> DRAWBACK-EXPORT <input type="checkbox"/> OTHER (Specify) _____		
3. NAME AND ADDRESS OF CLAIMANT (Telephone number and e-mail address optional)		4. EMPLOYER IDENTIFICATION NUMBER _____ 5. PLANT, LICENSE, OR PERMIT NUMBER _____ 6. KIND OF TAX _____ 7. PERIOD, IF SPECIAL TAX OR MIBP ONLY (month/year) FROM _____ TO _____ 8. AMOUNT OF TAX _____ 9. DATE(S) OF PAYMENT (for refund ONLY) _____
10. DIRECT DEPOSIT, Optional		10a. ROUTING NUMBER _____
10b. TYPE <input type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS		
10c. ACCOUNT NUMBER _____		
11. BASIS OF CLAIM (Give the detailed information required by the applicable regulations under which the claim is filed and any other facts which will aid the reviewing official of the exact basis for the claim. Please identify any documents or statements submitted in support of this claim.)		

The tax imposed on tobacco products by 26 U.S.C. or chapter 52, as applicable, has been paid in respect to the articles covered by this claim, and the products were withdrawn from the market within 6 months preceding the date this claim was filed.

(Attach letter size sheets if more space is required)

PAPERWORK REDUCTION ACT NOTICE

This request is in accordance with the Paperwork Reduction Act of 1995. The information collection is used, along with other supporting documents, to obtain credit, remission, and allowance of tax on taxable articles (alcohol, beer, tobacco products, and firearms and ammunition) that have been lost, and to obtain refund of overpaid taxes and abatement of overassessed taxes. This information is required to obtain a benefit by 26 U.S.C. 5906, 5705, and 5416.

The estimated average burden associated with this collection of information is 1 hour per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to the Reports Management Officer, Regulations and Ruling Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, DC 20220.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current, valid OMB control number.

Under the penalties of perjury, I declare that I have submitted this claim, including supporting documents and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

12. SIGNATURE (Type or print name and the under or devise signature)	13. DATE
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TTB F 5022E (01/2009) Page 1 of 2

ITEM 1. Enter the section of the regulations under which you are filing this claim. You may refer to regulations listed on the TTB website at <http://www.ttb.gov>.

ITEM 2. Select the type of claim you are filing as follows (Note: The following are general definitions. Please review regulations for further information on filing claims for your commodity):

REMISSION OF TAX - A qualified permittee, manufacturer, or proprietor may file a claim for remission of tax on the quantity of distilled spirits, (including distilling material and denatured spirits) or tobacco products that were lost or destroyed while in bond, if the tax has not been paid or determined. A claim of this type may also be filed to cover unpaid beer lost in transit between breweries and unpaid wine removed for export, but lost while in transit to the point of export.

Note: This type of claim may be filed only by the person who is liable for paying the tax.

ALLOWANCE OF LOSS - A qualified permittee, manufacturer, or proprietor may file a claim for allowance of loss or relief of tax liability on denatured spirits, wine, or beer that have been lost or destroyed on the bonded premises. Or wine lost or destroyed in transit thereto, if the tax has not been paid or determined.

Note: Tax paid distilled spirits, wine, beer, or tobacco products which are lost or rendered unmerchantable by accident, disaster, fire, casualty, or act of God should be filed as a claim for allowance of credit or claim for refund.

DRAWBACK - MHDP - A manufacturer of nonbeverage products may file a claim for drawback on distilled spirits used in a TTB approved formula for use as a medicine, medicinal preparation, food product, flavor, flavor extract, or any other TTB approved nonbeverage product. Formulas which are stated in the current revisions or editions of the United States Pharmacopoeia (U.S.P.), the National Formulary (N.F.), or the Homeopathic Pharmacopoeia of the United States (H.P.U.S.) are considered approved formulas.

ALLOWANCE OF CREDIT - A qualified permitted, manufacturer, or proprietor may file a claim for allowance of credit of tax. The approved amount may be applied as credit toward unpaid taxes or future tax liabilities.

ALLOWANCE OF TAX - A tobacco manufacturer, export warehouse proprietor, or permittee may file a claim for relief from the payment of tax on tobacco products, if after determination of tax and removal from the factory, but prior to the time for payment of the tax, the articles are lost (other than by theft) or destroyed by fire, casualty, or act of God.

DRAWBACK- EXPORT - A qualified winery, distilled spirits plant, brewery, or tobacco manufacturer may file a claim for drawback of the tax on unpaid spirits, wine or beer exported from the United States. This type of claim cannot be used for tobacco products exported with the benefit of drawback.

ABATEMENT OF TAX - A claim for abatement of tax on firearms, ammunition, distilled spirits, wines, beer, or tobacco products may be filed if the tax is assessed or has been assessed erroneously and the taxpayer believes that the tax, or any portion of the tax, is not due.

REFUND OF TAX - A claim may be filed by a taxpayer for a refund of taxes (legally, erroneously, or erroneously collected). The claim must be filed within three years (two years under certain circumstances) after the date the tax is due, or paid, whichever is later.

ITEM 3. Enter the claimant's name and address. (Telephone number and e-mail address are optional)

ITEM 4. Enter the claimant's employer identification number.

ITEM 5. Enter the claimant's plant, license, or registry number.

ITEM 6. Enter the kind of tax (excise tax, special tax)

ITEM 7. Enter the period of which the tax was due (this only applies to special tax or nonbeverage claims). Enter the monthly format.

ITEM 8. Enter the total amount of tax being claimed.

ITEM 9. Enter the date the tax was paid (if paid) by the claimant.

ITEM 10. Direct Deposit is a safe and secure way to have your refund deposited automatically.

ITEM 10a. The routing number must be nine digits. On the sample check below, the routing number is 20220225.

ITEM 10b. Check the appropriate box for the type of account. Do not check more than one box.

ITEM 10c. The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. On the sample check below, the account number is 20202065.



ITEM 11. Provide detailed information that may be required by the applicable regulations pertaining to the claim along with any other necessary facts. Also identify any documents or statements submitted to support the claim.

ITEM 12. Enter the signature and title of a person authorized to sign on behalf of the company/claimant. The name of the person signing the claim should be typed or legibly printed under or beside the signature.

ITEM 13. Enter the date the claim was signed.

Withdrawal from
the Market – TTB F 5200.7

TTB F 5200.7

- TTB F 5200.7, Schedule of Tobacco Products, Cigarette Papers or Tubes Withdrawn from the Market:
 - Is a formal request for authorization to withdraw tobacco product from the market as required by 27 CFR 40.282 - 40.283.
 - **Must** be filed if a manufacturer intends to file a claim for the tax on tobacco products withdrawn from the market.

TTB F 5200.7 (Continued)

- Products are assembled in or adjacent to a factory if they are to be returned to bond or at any suitable place if they are to be destroyed or reduced to materials.
- Products should be grouped according to the rates of tax.
- TTB F 5200.7 should be prepared in triplicate (front page only) and submitted to the NRC.
- The NRC will determine if the schedule will be verified and the disposition of the tobacco products, with or without TTB supervision.

Supervision by TTB

- Schedule will be verified and disposition of the articles supervised by a TTB investigator.
- Upon completion of inspection, the investigator will execute under TTB Officer's Certificate.
- Returns to taxpayer two verified copies of the schedule where claim for credit or refund is to be made and one verified copy where claim for allowance is to be made.
- One original certified copy submitted with claim.

Without TTB Supervision

- If decision is to allow disposal without TTB supervision:
 - The NRC will authorize by executing the disposition authorization on two copies of TTB F 5200.7 and send two copies to the taxpayer.
 - The taxpayer, upon completion of the disposition, executes the taxpayer's certificate of disposition on both copies of the schedule.
 - One original certified copy is submitted with the claim.

OMB No. 1519-0094 (03/01/2008)

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
SCHEDULE OF TOBACCO PRODUCTS, CIGARETTE PAPERS OR TUBES
WITHDRAWN FROM THE MARKET
(See instructions below)

1. SERIAL NUMBER
*(Begin with "1" January
of each year)*

REQUEST FOR DISPOSITION AUTHORIZATION

Operator is desired, as indicated, of the cigars, cigarettes, chewing tobacco, snuff, pipe tobacco, roll-your-own tobacco, cigarette papers, and cigarette tubes described below, withdrawn from the market after removal from factory or customs custody.

2. NAME AND MAILING ADDRESS OF TAXPAYER (Number and street or P.O. Box, city, State and ZIP Code)

2a. EIN (Employer Identification Number)

2b. PERMIT NUMBER

3. LOCATION WHERE ARTICLES ARE ASSEMBLED (Number and street, city and State)

4. IDENTITY OF FACTORY OR FACTORIES FROM WHICH ARTICLES WERE REMOVED

4a. PERMIT NUMBER

5. These articles are under 26 U.S.C. 5701 (Produced in U.S.A. or foreign country)
or
 These articles are under 26 U.S.C. 7652(a) (Produced in Puerto Rico)
or
 These articles are under 26 U.S.C. 7652(b) (Brought in from U.S. Highlands)
 Tax has been paid on articles listed hereon
or
 Tax has not been paid on articles listed hereon but each tax was determined on (date) in accordance with the provisions of applicable regulations.

6. DATE DISPOSITION DESIRED

7. DISPOSITION TO BE MADE OF ARTICLES (Select only one) TO BE DESTROYED
 RETURNED TO BOND IMPORTED ARTICLES TO NON-TAXPAID STATUS REDUCED TO MATERIALS

7a. PERMIT NUMBER OF FACTORY RECEIVING ARTICLES

8. DESCRIPTION OF ARTICLES

KIND OF ARTICLES <i>(small cigarettes, large cigars, chewing tobacco, snuff, etc.)</i> (a)	NUMBER OF CONTAINERS (b)	SALE PRICE PER M (c)	NUMBER OF LBS./OZ. IN EACH CONTAINER (d)	TOTAL NUMBER OF POUNDS/OUNCES (e)	TOTAL SALE PRICE ² <i>(col. (c) x col. (d) + 1000)</i> (f)	RATE OF TAX (g)	AMOUNT OF TAX (h)
Chewing Tobacco	1		18.45	18.45		0.195	\$ 3.60
Snuff	10		6.75	67.50		0.585	\$ 39.49
Small Cigarettes	14.12		12,000	170,000		.0195	\$ 3,315.00
10. TOTAL							\$ 3,358.09

DISPOSITION AUTHORIZATION

The taxpayer is authorized to dispose of the articles listed hereon, in the manner indicated, without TTB supervision.

SIGNATURE OF TTB OFFICER

Audrey E. Gaddy

DATE

OCT 13 2006

DISPOSITION	DISPOSITION OF ARTICLES			
	QUANTITY			
	(N/d of article)	(N/d of article)	(N/d of article)	(N/d of article)
13. RECEIVED INTO FACTORY (Show permit No.)				
14. REDUCED TO MATERIALS				
15. DESTROYED BY (Show method)				
16. TOTAL				

TTB OFFICER'S CERTIFICATE: I have inspected the articles and find that they are correctly described in this schedule, except as indicated below, and have supervised their disposition as shown under "Disposition of Articles." (Make exceptions, as indicated below.)

EXCEPTIONS:

SIGNATURE AND TITLE OF TTB OFFICER

DATE

CERTIFICATE OF DISPOSITION BY TAXPAYER: Under the penalties of perjury, I declare that this schedule is true and correct and that the articles listed on it were disposed of as shown under "Disposition of Articles."

SIGNATURE AND TITLE OF TAXPAYER (This certificate to be signed by the individual owner, member of firm, officer of corporation, or other person authorized by the taxpayer to sign.)

DATE

INSTRUCTIONS

- ASSEMBLY OF ARTICLES** - Prior to submitting this schedule to the National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau for disposition authorization, the taxpayer assembles the articles according to the applicable rate of tax. (1) in or adjacent to a factory if the articles are to be returned to bond, or (2) at any suitable place if the articles are to be destroyed or reduced to materials.
- PREPARATION OF SCHEDULE** - This schedule is prepared by the taxpayer in triplicate to show the following information: In block 7, whether the articles are to be destroyed or returned to bond, or in the case of imported articles, to a non-taxpaid status, or are to be reduced to materials. In block 7a, the permit number of the factory receiving such articles. In block 4, the location and in block 4a, the permit number of the factory or factories from which the articles were the tax was paid. In block 9: in column (a), each kind of articles such as small cigarettes, large cigarettes, small cigars, large cigars, chewing tobacco, snuff, pipe tobacco, roll-your-own tobacco, cigarette papers, or cigarette tubes. In column (b), number of containers (packages) of cigars, cigarettes, chewing tobacco, snuff, pipe tobacco, roll-your-own tobacco, cigarette papers or cigarette tubes. In column (c), the sale price per thousand of large cigars. Show either the taxable sale price as supported by records, or else the lowest sale price applicable to that brand and size of cigars shown on the manufacturer's basic record of sale prices during the period that this record is required to be retained. In column (d), the number or weight of the article in each container. In column (e), the total number or weight of cigars, cigarettes, chewing tobacco, snuff, roll-your-own tobacco, pipe tobacco, cigarette tubes, or cigarette papers. In column (f), the total sale price only of large cigars with a sale price of not more than \$235.294 per thousand. In column (g), the rate of tax applicable to that article. In column (h), the respective amount of tax.
- REQUEST FOR DISPOSITION** - When the articles are assembled and this schedule is prepared, the taxpayer (or his authorized representative) executes the form in block 11 and forwards all three copies to the Director, National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau. The National Revenue Center will either assign a TTB officer to verify the schedule and supervise disposition of the articles or authorize the taxpayer to dispose of the articles without supervision by executing the disposition authorization on two copies of the schedule returned to the taxpayer. Where a TTB officer is assigned, he, or she, upon completion of his inspection, returns to the taxpayer two verified copies of the schedule where claim for credit or refund is to be made and one verified copy where claim for allowance is to be made. Where the Alcohol and Tobacco Tax and Trade Bureau authorized the taxpayer to dispose of the articles without supervision, the taxpayer (or his authorized representative) upon completion of the disposition executes the taxpayer's certificate of disposition on both copies of the schedule.
- MANNER OF FILING CLAIM** - The original of this schedule, after the proper certificate has been executed, may be used to support a claim on TTB F 5620.0. The duplicate of the schedule is, in any case, retained by the taxpayer. Where claim is made, TTB F 5620.0 is filed by the taxpayer with the:

Director, National Revenue Center, TTB
550 Main St., Ste 6302
Cincinnati, Ohio 45202-6215

PAPERWORK REDUCTION ACT NOTICE

This request is in accordance with the Paperwork Reduction Act of 1995. The information collection is used to support claims for tax credit or refund on tobacco products to be withdrawn from the market. The information is mandatory by statute (26 U.S.C. 5705).

The estimate average burden associated with this collection of information is 45 minutes per respondent or recordkeeper, depending on individual circum-

DISPOSITION AUTHORIZATION				
The taxpayer is authorized to dispose of the articles listed hereon, in the manner indicated, without TTB supervision.				
SIGNATURE OF TTB OFFICER				DATE
DISPOSITION OF ARTICLES				
DISPOSITION	QUANTITY			
	(Kind of article)	(Kind of article)	(Kind of article)	(Kind of article)
13. RECEIVED INTO FACTORY (Show permit No.)				
14. REDUCED TO MATERIALS				

DISPOSITION	QUANTITY			
	(Kind of article)	(Kind of article)	(Kind of article)	(Kind of article)
13. RECEIVED INTO FACTORY (Show permit No.)				
REDUCED TO MATERIALS				
DESTROYED BY (Show method)				
18. TOTAL				

TTB OFFICER'S CERTIFICATE: I have inspected the articles and find that they are correctly described in this schedule, except as indicated below, and have supervised their disposition as shown under "Disposition of Articles." (If no exceptions, so indicate below.)

EXCEPTIONS:

SIGNATURE AND TITLE OF TTB OFFICER

DATE

CERTIFICATE OF DISPOSITION BY TAXPAYER: Under the penalties of perjury, I declare that this schedule is true and correct and that the articles listed on it were disposed of as shown under "Disposition of Articles."

SIGNATURE AND TITLE OF TAXPAYER (This certificate shall be signed by the individual owner, member of firm, officer of corporation, or other person authorized by the taxpayer to sign.)

DATE

number or weight of cigars, cigarettes, chewing tobacco, snuff, roll-your-own tobacco, pipe tobacco, cigarette tubes, or cigarette papers.
In column (f), the total sale price only of large cigars with a sale price of

UNIFORM AND ALCOHOLS

PAPERWORK REDUCTION ACT NOTICE

This request is in accordance with the Paperwork Reduction Act of 1995. The information collection is used to support claims for tax credit or refund on tobacco products to be withdrawn from the market. The information is mandatory by statute (26 U.S.C. 5705).

The estimate average burden associated with this collection of information is 45 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to Reports Management Officer, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, D.C. 20220.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

TTB F 5200.7 (7/2005)

Contact Information

- Contact an NRC Specialist in the Tobacco Tax Group
- Address:
 - 8002 FOB
 - 550 Main Street
 - Cincinnati, OH 45202
- Phone: 1-877-882-3277 or 513-684-7137

Contact Information (Continued)

Scott Rogers, CPA

Tax Audit Division

Greensboro Field Office

Phone: (336) 852-9174

Email: 

Contact Information (Continued)

Kim Dornacher, Tax Specialist
National Revenue Center

Phone: (513) 684-6325

Email: tobaccotaxkd@ttb.gov