

**2007 TTB**

# **Tobacco Industry Seminar**

**Federal Compliance Training for  
the Tobacco Industry**

*July 17, 2007*



Alcohol and Tobacco Tax and Trade Bureau



# CHANGES TO REPORT TO TTB: IMPORTERS

---

**Tobacco Applications Branch  
National Revenue Center**



**When there is a change to the information TTB has on file for any of your TTB permits, you must notify TTB.**



# Importers of Tobacco Products

---

Part 41, Subpart L

Changes After Original Qualification  
41.220 – 41.228

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTT)  
APPLICATION FOR AMENDED PERMIT UNDER 26 U.S.C. 5712  
IMPORTER OF TOBACCO PRODUCTS

## INSTRUCTIONS

This form must be filed in duplicate by every importer of tobacco products when required by 26 U.S.C. 5712 and the regulations in 27 CFR Part 41. Both copies are to be filed with the National Revenue Center, Alcohol and Tobacco Tax and Trade Bureau.

All supporting documents required by the regulations, and any additional information the National Revenue Center may require, must be made part of this application. All the information called for by the items below and any separate instructions relating to this form must be furnished. If additional space is needed for any item, see the reverse or attach a separate sheet.

TO: DIRECTOR, NATIONAL REVENUE CENTER ALCOHOL AND TOBACCO TAX AND TRADE BUREAU SITE 9002 550 MAIN ST CINCINNATI, OHIO 45202-5215	1. DATE OF APPLICATION <hr/> 2. NUMBER OF PERMIT NOW HELD <hr/> 3. EFFECTIVE DATE OF PERMIT NOW HELD <hr/>
THE UNDERSIGNED HEREBY MAKES APPLICATION FOR AN AMENDED PERMIT AS INDICATED BELOW	
4. NAME AND PERMIT ADDRESS	5. MAILING ADDRESS
6. EMPLOYER IDENTIFICATION NUMBER	7. DAYTIME TELEPHONE NUMBER (holding area code)
8. CHANGE OF LOCATION ADDRESS (Number, street/road, city/town, county, State, and ZIP code)	

9. TRADE NAME <input type="checkbox"/> ADDITION <input type="checkbox"/> DELETION	REASON FOR USE OF TRADE NAME	10. CHANGE IN NAME
--	------------------------------	--------------------

The applicant agrees, by accepting the amended permit applied for herein, that issuance thereof shall not relieve him of any liability heretofore incurred. All data, written statements, affidavits, evidence, or other documents heretofore filed and those submitted in support hereof, or upon any hearing, shall be deemed to be a part of this application.

Under the penalties of perjury, I declare that all statements made in this application for amended permit, and all data, written statements, affidavits, evidence, or other documents submitted in support hereof, or upon any hearing, are true to the best of my knowledge and belief.

11. SIGNATURE	12. TYPED OR PRINTED NAME	13. TITLE OR STATUS (State whether individual owner, partner, member officer, or if officer of corporation, give title)
---------------	---------------------------	---

## ADDITIONAL INSTRUCTIONS

- a. The permit to be amended must be attached to this application.
- b. If State law require registration of trade names, proof of registration must be submitted with this application. If State law does not require registration, a statement to that effect must be included on this application.
- c. If the corporate name is changed, certified copies of amended Articles of Incorporation must be submitted with the application.



# 27 CFR 41.220 – 41.222, Changes in Name

---

## Include:

- 41.220, Change in individual name
- 41.221, Change in trade name
- 41.222, Change in corporate name

**Note:** A change in name often occurs as the result of a transfer in ownership.



## **27 CFR 41.220, Change in Individual Name**

---

- **Within 30 days of the change:**
  - Make application on TTB Form 5230.5;
  - Furnish documents necessary to establish the name has been changed; and
  - Surrender current approved permit for amendment.

# 27 CFR 41.221, Change in Trade Name

---

- Within 30 days of the change, discontinuance, or addition of a trade name:
  - Make application on TTB F 5230.5 for an amended permit;
  - Furnish a true copy of any new trade name certificate or document issued to the business; *or*
  - If no such document was issued, a written statement to that effect; *and*
  - Surrender current approved permit for amendment.



## 27 CFR 41.222, Change in Corporate Name

---

- Within 30 days of the change:
  - Make application for an amended permit on TTB F 5230.5;
  - Furnish documents necessary to establish the name has been changed; *and*
  - Surrender current approved permit for amendment.

# CHANGES IN OWNERSHIP AND CONTROL— may include:

---

- 41.223 - Fiduciary successor.

  - \*\*Continuing operations

  - \*\*Liquidating business

- 41.224 - Transfer of ownership.

- 41.225 - Change in officers, directors, or stockholders of a corporation.

- 41.226 - Change in control of a corporation.

## 27 CFR 41.223, Fiduciary successor— continuing operations:

---

- Such fiduciary shall, before commencing operations:
  - Make application for permit per 27 CFR Part 41 Subpart K (Original Qualification)
  - and*
  - Furnish certified copies of the order of the court showing appointment and qualification as fiduciary.



## **27 CFR 41.223, Fiduciary to Liquidate Business**

---

- **Fiduciary should promptly file:**
  - A written statement with TTB that explains the intention to liquidate.

## 27 CFR 41.224, Transfer of ownership— (includes a change of any member of a partnership or association)

---

- From the outgoing proprietor, TTB would expect to receive:
  - Notice in writing naming the proposed successor and the desired effective date of the transfer of ownership;
  - Make a concluding report on TTB F 5220.6;  
*and*
  - Surrender the permit with the concluding report.

## 27 CFR 41.224, Transfer of Ownership

---

- The proposed successor shall, before commencing operations:
  - Qualify as an importer of tobacco products in ample time for examination and approval before the desired date of such change; and
  - Make a commencing report on TTB F 5220.6.

## 27 CFR 41.225, Changes in Officers, Directors, or Stockholders of a Corporation

---

- The importer must within 30 days of such action:
  - Notify TTB in writing identifying such person(s);
  - Written notification of change in officers authorized to act on behalf of the corporation;
  - File Form 5000.9 Personnel Questionnaire;  
*and*
  - Update signing authority—Form 5000.8, or Form 5100.1, BOD resolutions, etc.

# 27 CFR 41.226, Changes in Control

---

- Within 30 days after the change occurs:
  - Make application for a new permit on TTB F 5230.4;
  - Surrender your current permit;
  - File TTB F 5000.9, Personnel Questionnaire, if appropriate;
  - Update signing authority—business documents, TTB F 5000.8, or TT F 5100.1; and
  - Furnish business documents supporting the changes.

# If the application for a new permit is timely filed:

---

- The present permit shall continue in effect pending final action with respect to such application.

## **Otherwise—If the application for a new permit is not timely filed:**

---

- The present permit will be automatically terminated at the expiration of such 30-day period;
- The importer will dispose of all tobacco products on hand;
- Make a concluding report (TTB F 5220.6); and
- Surrender the permit with the report.

# Change of Legal Control

---

- Legal Control is determined by the possession of a majority of stock:
  - In a permittee corporation,
  - OR***
  - In a corporation which controls a permittee corporation.

# Change of Actual Control

---

- Determined by who now actually controls the corporation or other business entity (perhaps an LLC)
- Can be changes in minority stockholders who band together
- Actual Control also can rest with officers and directors



# Limited Liability Companies

---

- Changes of actual control can also occur when there are changes to the membership of Limited Liability Companies (LLC)

# Change in Control vs. Change in Ownership

---

- Both require:
  - TTB F 5200.3, Application For Permit Under 26 U.S.C. Chapter 52, Manufacturer of Tobacco Products
  - A new original permit is issued to both.

## 27 CFR 41.227, Change in Location

---

- To relocate the principal business office the importer must:
  - Make application for an amended permit on TTB F 5230.5, before commencing operations at the new location; and
  - Surrender current approved permit for amendment.

# 27 CFR 41.228, Change in Address

---

- Within 30 days of this change the importer must:
  - Make application for an amended permit on TTB F 5230.5; and
  - Surrender current approved permit for amendment.



# Discontinuance of Business

---

- Surrender current approved permit, along with final monthly report on TTB F 5220.6; and
- Provide written notification of date of discontinuance.

# If You Need Help Call Us at the National Revenue Center

---



Contact the NRC

Tobacco Applications Branch

- 8002 FOB
- 550 Main Street
- Cincinnati, OH 45202
- 1-877-882-3277 or  
513-684-7150