

**DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
ABSTRACT AND STATEMENT**

NOT IN SUIT

For briefing offers in compromise of liabilities and/or violations incurred under sections 4181 and 4182 and Chapters 51 and 52 of the Internal Revenue Code and/or liabilities and/or violations incurred under the Federal Alcohol Administration Act.

1. OFFER SUBMITTED BY (Name and address) Top Tobacco, LP. 204 Top Tobacco Rd. Lake Waccamaw, NC 28450	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER \$275,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	
	5. CASE NUMBER [REDACTED]	
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ 434,442.67	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE

VIOLATIONS:
 The proponent allegedly overfilled packaged products which resulted in an understatement of taxable removals, and an underpayment of Federal Excise tax in violation of 26 U.S.C. Sections 5701(g), 5703(b) and 27 CFR Section 40.161; netted sales credits against taxable removals which resulted in discrepancies between the record of removals subject to tax and the TTB Form 5210.5, Report, Manufacturer of Tobacco Products in violation of 26 U.S.C. 5741, 27 CFR Sections 40.181 and 40.184; failed to properly distinguish between non-tax determined finished goods in bond and taxpaid returns held off the bonded premises in the book inventory which resulted in unreported inventory shortages in violation of 26 U.S.C. 5741 and 27 CFR Sections 40.183 and 40.255; and failed to use packaging products with the required markings in violation of 26 U.S.C 5723 and 27 CFR Section 40.212. Also, the government alleges that the proponent violated 26 U.S.C. Sections 6651 and 6656, for failure to timely pay returns, and making timely deposits for Federal Excise Tax.

BUSINESS IN WHICH ENGAGED:
 The proponent is a duly qualified Manufacturer of Tobacco Products.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:
 On or about January 2006 through September 2008, at the proponent's premises located at 204 Top Tobacco Road in Waccamaw, North Carolina.

AMOUNT AND TERMS OF OFFER
 The proponent has submitted an offer of \$275,000.00 in compromise of the above violations incurred under the Internal Revenue Code.

RECOMMENDATION:
 The Director, National Revenue Center, recommends acceptance of the offer due to possible litigation hazards.

9. I have considered the proposition to compromise the liability as charged herein, and, for the reasons embodied in the above abstract and statement, am of the opinion that it will be for the best interest of the United States to ACCEPT REJECT the terms proposed.

10. SIGNATURE AND TITLE [REDACTED]	11. DATE 7/15/10
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