

May 2009



Greetings! We hope you are having a stupendous and productive month! This issue features our establishment of an alternative procedure of certain tobacco products, a ruling that clarifies the taxable weight of tobacco products, and an overview of tobacco laws and regulations.

### TTB ESTABLISHES PROCEDURES FOR CERTAIN TOBACCO PRODUCTS WITHDRAWN FROM THE MARKET

As a result of the Floor Stocks Tax imposed by the Children's Health Insurance Program Reauthorization Act (Pub. L. 111-3), TTB has issued Procedure Number 2009-1 which establishes an optional alternate procedure that manufacturers and importers of tobacco products (except large cigars) or cigarette papers or tubes may use to file claims after April 1, 2009, for credit or refund of tax on such products withdrawn from the market pursuant to 26 U.S.C. § 5705. This procedure provides an alternative to the type of proof that a manufacturer or importer would ordinarily be required to submit to TTB to show the amount of tax actually paid, and thus refundable or creditable, on products withdrawn from the market.

[Read the Procedure](#)

### TTB RULING 2009-1 CLARIFIES THE TAXABLE WEIGHT OF TOBACCO PRODUCTS

TTB has received a number of requests for advice regarding the taxable weight of certain tobacco products. Specifically, we have been asked whether non-tobacco ingredients that are included in roll-your-own tobacco, pipe tobacco, chewing tobacco, and snuff products are included in the weight of the products for purposes of computing the Federal excise tax. As an example, we have been asked whether the tax on a consumer-ready cigar wrapper (also referred to as a "blunt wrap") is calculated based on the weight of the finished product or only on the weight of the tobacco content of the finished product.

[Read TTB Ruling 2009-1](#)

### THIS ISSUE

Greetings! We hope you are having a substantial and honorable month! This issue includes the publication of tobacco regulations and a notice of proposed rule making, floor stock frequently asked questions, information on our floor stocks tax form, notice of federal tax increases on tobacco, and our 2008 Performance and Accountability Report .

If you have content ideas or questions for the editors please send them to:

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## REGISTER NOW FOR TTB EXPO 2009

Are you confused or perplexed about all the changes to Federal laws and regulations regarding tobacco taxes, products and permits? TTB Expo 2009 is the perfect opportunity for you to get the answers to all of your questions. This FREE, three day educational event is designed to help you navigate many of the Federal laws and regulations under which you must operate. Not only will you have the opportunity to learn from TTB tobacco regulatory experts, but we are also offering sessions taught by U.S. Customs and Border Protection, the Federal Trade Commission, and the Foreign Trade Zone Board. This is a one-stop shop opportunity for learning about all the new tobacco requirements plus a refresher on all the existing regulations.

TTB Expo 2009 will be held June 24, 25, and 26, 2009, in Covington, Kentucky, which is located just across the Ohio River from Cincinnati. Please visit the [TTB Expo Web site](#) to learn more about the event and the area. Register Now!

### TOBACCO LAWS AND REGULATIONS

For easy access, you can read [Chapter I, of Title 27, Code of Federal Regulations](#) and public laws relating to the tobacco industry.

Select an item to view the relevant section of the Code of Federal Regulations.

- [Part 40](#) - Manufacture of tobacco products and cigarette papers and tubes
- [Part 41](#) - Importation of tobacco products and cigarette papers and tubes
- [Part 44](#) - Exportation of tobacco products and cigarette papers and tubes, without payment of tax, or with drawback of tax
- [Part 45](#) - Removal of tobacco products and cigarette papers and tubes, without payment of tax, for use of the United States
- [Part 46](#) - Miscellaneous regulations relating to tobacco products and cigarette papers and tubes

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