

**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 Chapters 32,51,52,53,68, and/or 78 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) H & R 1871, LLC [REDACTED] PO Box 700 Madison, North Carolina 27025	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER \$125,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable)	5. SYSTEM CONTROL NUMBER(S)
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ 321,390.21	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE  
VIOLATIONS:  
The government alleges that on or about the periods beginning October 1, 2004 and ending March 31, 2008, the proponent manufactured and sold firearms on a "tax-free" basis, purportedly in accordance with the provisions of 26 U.S.C. § 4221(a)(2), even though it was not registered to do so as required under 26 U.S.C. § 4222(a). The proponent incurred tax, penalties, and interest under 26 U.S.C. §§ 4181, 4222, and 6656 for failure to timely deposit the full tax due on firearms it manufactured.

BUSINESS IN WHICH ENGAGED:  
It has been determined that the proponent is engaged in the business of a Firearms and Ammunition Manufacturer.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:  
On or about October 1, 2004 through March 31, 2008, at the proponent's premises located at 60 Industrial Rowe, Gardner, Massachusetts, 01440.

AMOUNT AND TERMS OF OFFER:  
The proponent has submitted an offer of \$125,000.00 in compromise of the above violations incurred under the Internal Revenue Code.

RECOMMENDATIONS:  
The Director, National Revenue Center recommends acceptance of the offer. In view of potential litigation hazards as outlined in the offer-in-compromise, acceptance of this offer, as submitted, is warranted.

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] <i>Asst Admin Director (Field Ops)</i>	11. DATE 7/17/2009
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