

**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) New Bedford Ship Supply Company, Inc. 108 Front Street New Bedford, Massachusetts 02740-7263  Re: 17 Centre Street New Bedford, Massachusetts 02740-6322	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TID	3. AMOUNT OF OFFER \$600,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	
	5. CASE NUMBER [REDACTED]	
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ 2,136,982.67	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE

**VIOLATIONS:**  
The proponent removed cigarettes from its export warehouse, without payment of tax, for the stated purpose of delivery to vessels as ship supplies. However, these cigarettes allegedly were not exported but instead sold for consumption within the jurisdiction of the Internal Revenue laws of the United States in violation of 26 U.S.C. § 5704 and 27 CFR § 44.62. Accordingly, the proponent is liable for excise tax on such cigarettes in accordance with 26 U.S.C. §§ 5701, 5703, and 5704, and 27 CFR §§ 44.61-44.67(a).

**BUSINESS IN WHICH ENGAGED:**  
The proponent is an Export Warehouse (EW) previously permitted under 26 U.S.C. §§ 5712 and 5713.

**DATE OR PERIOD AND LOCATION OF VIOLATIONS:**  
The alleged violations took place on or about January 1, 2010 through March 31, 2013, at the proponent's premises located at 17 Center Street, New Bedford, Massachusetts 02740-6322, and surrounding areas.

**AMOUNT AND TERMS OF OFFER:**  
The proponent has submitted an offer of \$600,000.00 in compromise of the above-alleged liability incurred under the Internal Revenue Code. A check in the amount of \$60,000.00 was received with the original offer and was deposited into the proponent's account. The remaining balance of \$540,000.00 will be made no later than 90 days after the acceptance of this offer.

**RECOMMENDATION:**  
The Director, National Revenue Center, recommends acceptance of the offer. In view of potential litigation hazards, acceptance of this Offer in Compromise, 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.

<i>[Signature]</i>	11. DATE 11/20/14
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