

Cedar Rapids, IA, The Eastern Iowa, RNAV (GPS) RWY 13, Amdt 1  
 Cedar Rapids, IA, The Eastern Iowa, RNAV (GPS) RWY 31, Amdt 1  
 Cedar Rapids, IA, The Eastern Iowa, VOR RWY 27, Amdt 12  
 Marion, IL, Williamson County Regional, ILS OR LOC RWY 20, Amdt 12  
 Auburn, IN, De Kalb County, ILS OR LOC RWY 27, Orig  
 Owensboro, KY, Owensboro-Daviess County, RNAV (GPS) RWY 36, Amdt 1  
 Alexandria, LA, Alexandria Intl, RNAV (GPS) RWY 32, Amdt 1  
 Annapolis, MD, Lee, RNAV (GPS) RWY 30, Orig-C  
 Grenada, MS, Grenada Muni, ILS OR LOC RWY 13, Amdt 1  
 Tunica, MS, Tunica Muni, RNAV (GPS) RWY 17, Amdt 1  
 Tunica, MS, Tunica Muni, RNAV (GPS) RWY 35, Amdt 1  
 Fayetteville, NC, Fayetteville Regional/Grannis Field, RNAV (GPS) RWY 4, Amdt 1  
 Fayetteville, NC, Fayetteville Regional/Grannis Field, RNAV (GPS) RWY 22, Amdt 2  
 Valentine, NE, Miller Field, RNAV (GPS) RWY 14, Amdt 1  
 Valentine, NE, Miller Field, RNAV (GPS) RWY 32, Amdt 1  
 Valentine, NE, Miller Field, NDB RWY 32, Amdt 8  
 Albuquerque, NM, Albuquerque Intl Sunport, RNAV (GPS) RWY 35, Amdt 1  
 Farmington, NM, Four Corners Regional, RNAV (GPS) RWY 5, Amdt 1  
 Farmington, NM, Four Corners Regional, RNAV (GPS) RWY 7, Amdt 2  
 Cleveland, OH, Cleveland-Hopkins Intl, LDA PRM RWY 6R, Orig  
 Cleveland, OH, Cleveland-Hopkins Intl, LDA PRM RWY 24L, Orig  
 Cleveland, OH, Cleveland-Hopkins Intl, LDA/DME RWY 6R, Orig  
 Cleveland, OH, Cleveland-Hopkins Intl, LDA/DME RWY 24L, Orig  
 Cleveland, OH, Cleveland-Hopkins Intl, ILS PRM RWY 6L, Orig  
 Cleveland, OH, Cleveland-Hopkins Intl, ILS PRM RWY 24R, Orig  
 Altoona, PA, Altoona-Blair County, VOR-A, Amdt 5  
 Altoona, PA, Altoona-Blair County, RNAV (GPS) RWY 3, Orig  
 Altoona, PA, Altoona-Blair County, GPS RWY 2, Orig-A, CANCELLED  
 Dallas-Fort Worth, TX, Dallas/Fort Worth International, ILS OR LOC RWY 17L, Amdt 3, ILS RWY 17L (CAT II), Amdt 3, ILS RWY 17L (CAT III), Amdt 3  
 Dallas-Fort Worth, TX, Dallas/Fort Worth International, RNAV (GPS) RWY 17L, Amdt 1  
 Newport News, VA, Newport News/Williamsburg Intl, RNAV (GPS) RWY 25, Amdt 1  
 Spokane, WA, Felts Field, NDB RWY 3L, Amdt 2  
 Spokane, WA, Felts Field, VOR RWY 3L, Amdt 3  
 Spokane, WA, Felts Field, GPS-A, Orig, CANCELLED  
 Spokane, WA, Felts Field, RNAV (GPS) RWY 3L, Orig

Spokane, WA, Felts Field, RNAV (GPS)-A, Orig  
 Land O' Lakes, WI, Kings Land O' Lakes, NDB RWY 14, Orig  
 Land O' Lakes, WI, Kings Land O' Lakes, NDB RWY 32, Orig  
 Land O' Lakes, WI, Kings Land O' Lakes, NDB OR GPS RWY 14, Amdt 9A, CANCELLED  
 Land O' Lakes, WI, Kings Land O' Lakes, NDB RWY 32, Orig-A, CANCELLED  
 Madison, WI, Dane County Regional-Truax Field, RNAV (GPS) RWY 14, Amdt 1  
 Madison, WI, Dane County Regional-Truax Field, RNAV (GPS) RWY 18, Amdt 1  
 Madison, WI, Dane County Regional-Truax Field, RNAV (GPS) RWY 21, Amdt 1  
 Madison, WI, Dane County Regional-Truax Field, RNAV (GPS) RWY 32, Amdt 1  
 Madison, WI, Dane County Regional-Truax Field, RNAV (GPS) RWY 36, Amdt 1  
 Madison, WI, Dane County Regional-Truax Field, ILS OR LOC/DME RWY 18, Orig  
 Madison, WI, Dane County Regional-Truax Field, ILS OR LOC RWY 21, Orig  
 Madison, WI, Dane County Regional-Truax Field, ILS OR LOC/DME RWY 36, Orig  
 Madison, WI, Dane County Regional-Truax Field, ILS RWY 18, Amdt 7C, CANCELLED  
 Madison, WI, Dane County Regional-Truax Field, ILS RWY 21, Orig-A, CANCELLED  
 Madison, WI, Dane County Regional-Truax Field, ILS RWY 36, Amdt 29D, CANCELLED  
 Madison, WI, Dane County Regional-Truax Field, RADAR-1, Amdt 17  
 Cheyenne, WY, Cheyenne Regional/Jerry Olson Field, RNAV (GPS) RWY 27, Orig  
 \* \* \* Effective 7 Jul 2005

Land O' Lakes, WI, Kings Land O' Lakes, RNAV (GPS) RWY 14, Orig  
 Land O' Lakes, WI, Kings Land O' Lakes, RNAV (GPS) RWY 32, Orig  
 Albemarle, NC, Stanly County, (VUJ), NDB OR GPS RWY 22L, Orig-E \* \* \* Effective Immediately **ADD PLANVIEW NOTE: RADAR REQUIRED.** (CCP NOTAM 3/8539 omitted submission in the Transmittal Letter)

[FR Doc. 05-7520 Filed 4-14-05; 8:45 am]

**BILLING CODE 4910-13-P**

## DEPARTMENT OF THE TREASURY

### Alcohol and Tobacco Tax and Trade Bureau

#### 27 CFR Parts 17, 19, 24, 25, 26, 27, 31, 70, and 194

[T.D. TTB-25]

RIN 1513-AA19

#### Liquor Dealers; Recodification of Regulations; Administrative Changes Due to the Homeland Security Act of 2002 (2004R-258T)

**AGENCY:** Alcohol and Tobacco Tax and Trade Bureau, Treasury.

**ACTION:** Final rule; Treasury decision.

**SUMMARY:** The Alcohol and Tobacco Tax and Trade Bureau (TTB) is recodifying its regulations pertaining to liquor dealers. We are also making administrative changes to these regulations to reflect TTB's new name and organizational structure resulting from changes made by the Homeland Security Act of 2002. This document does not include any substantive regulatory changes.

**DATES:** This rule is effective on April 15, 2005.

**FOR FURTHER INFORMATION CONTACT:** Karl O. Joedicke, Regulations and Procedures Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW., Washington, DC 20220; telephone 202-927-8210; or e-mail [Karl.Joedicke@ttb.gov](mailto:Karl.Joedicke@ttb.gov).

#### SUPPLEMENTARY INFORMATION:

##### Background

As a part of its continuing efforts to reorganize chapter I of title 27 of the Code of Federal Regulations (27 CFR chapter I), the Alcohol and Tobacco Tax and Trade Bureau (TTB) is removing all of part 194, Liquor Dealers, from subchapter M, Alcohol, Tobacco, and Other Excise Taxes, and recodifying it as part 31 in subchapter A, Liquors. We are also revising the title of new part 31 to read "Alcohol Beverage Dealers." These changes improve the organization of chapter I of title 27 and better describe the contents of newly designated part 31. The table below shows from which section of part 194 the requirements of part 31 are derived.

In addition, section 1111 of the Homeland Security Act of 2002 (Pub. L. 107-296, 116 Stat. 2135) divided the former Bureau of Alcohol, Tobacco, and Firearms (ATF), Department of the Treasury, into two separate agencies, the Bureau of Alcohol, Tobacco, Firearms and Explosives in the Department of Justice, and TTB, which remains in the Department of the Treasury. This reorganization requires us to amend each of the CFR parts under our jurisdiction to reflect our Bureau's new name and organizational structure. This document makes the appropriate administrative, nonsubstantive changes to the newly designated part 31.

## DERIVATION TABLE FOR PART 31

The requirements of section	Are derived from section
<b>Subpart A</b>	
31.1 .....	194.1
31.2 .....	194.2
31.3 .....	194.3
31.4 .....	194.4
<b>Subpart B</b>	
31.11 .....	194.11
<b>Subpart C</b>	
31.21 .....	194.21
31.22 .....	194.22
31.23 .....	194.23
31.24 .....	194.24
31.25 .....	194.25
31.26 .....	194.26
31.27 .....	194.27
31.28 .....	194.28
31.29 .....	194.29
31.30 .....	194.30
31.31 .....	194.31
31.32 .....	194.32
31.33 .....	194.33
31.34 .....	194.34
31.35 .....	194.35
<b>Subpart D</b>	
31.41 .....	194.41
31.42 .....	194.42
<b>Subpart E</b>	
31.51 .....	194.51
31.52 .....	194.52
31.53 .....	194.53
31.54 .....	194.54
31.55 .....	194.55
31.56 .....	194.56
31.57 .....	194.57
31.58 .....	194.58
31.59 .....	194.59
<b>Subpart F</b>	
31.71 .....	194.71
31.72 .....	194.72
<b>Subpart G</b>	
31.91 .....	194.91
31.92 .....	194.92
31.93 .....	194.93
31.94 .....	194.94
<b>Subpart H</b>	
31.101 .....	194.101
31.102 .....	194.102
31.103 .....	194.103
31.104 .....	194.104
31.104a .....	194.104a
31.105 .....	194.105
31.106 .....	194.106
31.106a .....	194.106a
31.107 .....	194.107
31.109 .....	194.109
31.110 .....	194.110

DERIVATION TABLE FOR PART 31—  
Continued

The requirements of section	Are derived from section
31.111 .....	194.111
<b>Subpart I</b>	
31.121 .....	194.121
31.121a .....	194.121a
31.122 .....	194.122
31.123 .....	194.123
31.124 .....	194.124
31.125 .....	194.125
31.126 .....	194.126
31.127 .....	194.127
31.131 .....	194.131
31.132 .....	194.132
31.133 .....	194.133
31.134 .....	194.134
31.135 .....	194.135
31.136 .....	194.136
31.137 .....	194.137
31.138 .....	194.138
31.139 .....	194.139
<b>Subpart J</b>	
31.151 .....	194.151
31.152 .....	194.152
31.153 .....	194.153
<b>Subpart K</b>	
31.161 .....	194.161
31.162 .....	194.162
31.163 .....	194.163
31.164 .....	194.164
31.165 .....	194.165
31.166 .....	194.166
31.167 .....	194.167
31.168 .....	194.168
31.169 .....	194.169
31.170 .....	194.170
<b>Subpart L</b>	
31.181 .....	194.181
31.182 .....	194.182
31.183 .....	194.183
31.183a .....	194.183a
31.184 .....	194.184
31.185 .....	194.185
31.186 .....	194.186
31.187 .....	194.187
31.187a .....	194.187a
31.187b .....	194.187b
31.188 .....	194.188
31.189 .....	194.189
31.190 .....	194.190
31.191 .....	194.191
31.192 .....	194.192
31.193 .....	194.193
<b>Subpart M</b>	
31.201 .....	194.201
31.202 .....	194.202
31.203 .....	194.203
<b>Subpart N</b>	
31.211 .....	194.211

DERIVATION TABLE FOR PART 31—  
Continued

The requirements of section	Are derived from section
<b>Subpart O</b>	
31.221 .....	194.221
31.222 .....	194.222
31.223 .....	194.223
31.224 .....	194.224
31.225 .....	194.225
31.226 .....	194.226
31.227 .....	194.227
31.228 .....	194.228
31.229 .....	194.229
31.230 .....	194.230
31.231 .....	194.231
31.232 .....	194.232
31.233 .....	194.233
31.234 .....	194.234
31.235 .....	194.235
31.236 .....	194.236
31.237 .....	194.237
31.238 .....	194.238
31.239–31.241 [Reserved] .....	194.239–194.241 [Reserved]
Subpart P [Reserved] .....	Subpart P [Reserved]
<b>Subpart Q</b>	
31.261 .....	194.261
31.262 .....	194.262
31.263 .....	194.263
31.264 .....	194.264
<b>Subpart R</b>	
31.271 .....	194.271
31.272 .....	194.272
<b>Subpart S</b>	
31.281 .....	194.281
31.283 .....	194.283
<b>Subpart T</b>	
31.291 .....	194.291
31.292 .....	194.292
31.293 .....	194.293

**Regulatory Flexibility Act**

Because no notice of proposed rulemaking is required for this final rule under 5 U.S.C. 553, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply.

**Executive Order 12866**

This final rule is not a significant regulatory action as defined in Executive Order 12866. Accordingly, this final rule is not subject to the requirements of this Executive Order.

**Inapplicability of Prior Notice and Comment and Delayed Effective Date Requirements**

Because this final rule merely makes organizational and technical or

conforming nonsubstantive amendments to improve the layout of the regulations and to reflect the new name and organizational structure of TTB, no notice of proposed rulemaking and public comment period are required under 5 U.S.C. 553(b)(B). For the same reasons, this final rule is not subject to the delayed effective date requirement of 5 U.S.C. 553(d).

#### Drafting Information

The principal author of this document is Karl O. Joedicke, Regulations and Procedures Division, Alcohol and Tobacco Tax and Trade Bureau.

#### List of Subjects

##### 27 CFR Part 17

Administrative practice and procedure, Claims, Cosmetics, Customs duties and inspection, Drugs, Excise taxes, Exports, Imports, Liquors, Packaging and containers, Puerto Rico, Reporting and recordkeeping requirements, Spices and flavorings, Surety bonds, Virgin Islands.

##### 27 CFR Part 19

Caribbean Basin Initiative, Claims, Electronic funds transfers, Excise taxes, Exports, Gasohol, Imports, Labeling, Liquors, Packaging and containers, Puerto Rico, Reporting and recordkeeping requirements, Research, Security measures, Surety bonds, Vinegar, Virgin Islands, Warehouses.

##### 27 CFR Part 24

Administrative practice and procedure, Claims, Electronic funds transfers, Excise taxes, Exports, Food additives, Fruit juices, Labeling, Liquors, Packaging and containers, Reporting and recordkeeping requirements, Research, Scientific equipment, Spices and flavorings, Surety bonds, Vinegar, Warehouses, Wine.

##### 27 CFR Part 25

Beer, Claims, Electronic funds transfers, Excise taxes, Exports, Labeling, Packaging and containers, Reporting and recordkeeping requirements, Research, Surety bonds.

##### 27 CFR Part 26

Alcohol and alcoholic beverages, Caribbean Basin initiative, Claims, Customs duties and inspection, Electronic funds transfers, Excise taxes, Packaging and containers, Puerto Rico, Reporting and recordkeeping requirements, Surety bonds, Virgin Islands, Warehouses.

##### 27 CFR Part 27

Alcohol and alcoholic beverages, Beer, Cosmetics, Customs duties and inspection, Electronic funds transfers, Excise taxes, Imports, Labeling, Liquors, Packaging and containers, Reporting and recordkeeping requirements, Wine.

##### 27 CFR Part 28

Aircraft, Alcohol and alcoholic beverages, Armed forces, Beer, Claims, Excise taxes, Exports, Foreign trade zones, Labeling, Liquors, Packaging and containers, Reporting and recordkeeping requirements, Surety bonds, Vessels, Warehouses, Wine.

##### 27 CFR Part 31

Alcohol and alcoholic beverages, Claims, Excise taxes, Exports, Packaging and containers, Reporting and recordkeeping requirements.

##### 27 CFR Part 70

Administrative practice and procedure, Claims, Excise taxes, Freedom of information, Law enforcement, Penalties, Reporting and recordkeeping requirements, Surety bonds.

##### 27 CFR Part 194

Alcohol and alcoholic beverages, Claims, Excise taxes, Exports, Packaging

and containers, Reporting and recordkeeping requirements.

#### Amendments to the Regulations

For the reasons stated in the preamble, TTB amends chapter I of title 27 of the Code of Federal Regulations as follows:

#### PART 17—DRAWBACK ON TAXPAID DISTILLED SPIRITS USED IN MANUFACTURING NONBEVERAGE PRODUCTS

- 1. The authority citation for 27 CFR part 17 continues to read as follows:

**Authority:** 26 U.S.C. 5010, 5131, 5134, 5143, 5146, 5206, 5273, 6011, 6065, 6091, 6109, 6151, 6402, 6511, 7011, 7213, 7652, 7805; 31 U.S.C. 9301, 9303, 9304, 9306.

##### § 17.187 [Amended]

- 2. Amend § 17.187 by removing the reference “part 194” and adding, in its place, a reference to “part 31”.

#### PART 19—DISTILLED SPIRITS PLANTS

- 3. The authority citation for 27 CFR part 19 continues to read as follows:

**Authority:** 19 U.S.C. 81c, 1311; 26 U.S.C. 5001, 5002, 5004–5006, 5008, 5010, 5041, 5061, 5062, 5066, 5081, 5101, 5111–5113, 5142, 5143, 5146, 5171–5173, 5175, 5176, 5178–5181, 5201–5204, 5206, 5207, 5211–5215, 5221–5223, 5231, 5232, 5235, 5236, 5241–5243, 5271, 5273, 5301, 5311–5313, 5362, 5370, 5373, 5501–5505, 5551–5555, 5559, 5561, 5562, 5601, 5612, 5682, 6001, 6065, 6109, 6302, 6311, 6676, 6806, 7011, 7510, 7805; 31 U.S.C. 9301, 9303, 9304, 9306.

##### § 19.3 [Amended]

- 4. Amend § 19.3 by removing the reference to “27 CFR part 194—Liquor Dealers” and adding, in appropriate part number order, a reference to “27 CFR part 31—Alcohol Beverage Dealers”.

##### §§ 19.49 and 19.634 [Amended]

- 5. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 19.49(b)(1) .....	Part 194 .....	Part 31.
§ 19.634 .....	27 CFR 194.263 .....	27 CFR 31.263.

#### PART 24—WINE

- 6. The authority citation for 27 CFR part 24 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 26 U.S.C. 5001, 5008, 5041, 5042, 5044, 5061, 5062, 5081, 5111–5113, 5121, 5122, 5142, 5143, 5173, 5206, 5214, 5215, 5351, 5353, 5354, 5356, 5357, 5361, 5362, 5364–5373, 5381–5388,

5391, 5392, 5511, 5551, 5552, 5661, 5662, 5684, 6065, 6091, 6109, 6301, 6302, 6311, 6651, 6676, 7011, 7302, 7342, 7502, 7503, 7606, 7805, 7851; 31 U.S.C. 9301, 9303, 9304, 9306.

##### § 24.4 [Amended]

- 7. Amend § 24.4 by removing the reference to “27 CFR Part 194—Liquor

Dealers” and adding, in appropriate part number order, a reference to “27 CFR Part 31—Alcohol Beverage Dealers”.

##### § 24.52 [Amended]

- 8. Amend § 24.52(d) by removing the reference to “part 194” and adding, in its place, a reference to “part 31”.

**PART 25—BEER**

- 9. The authority citation for 27 CFR part 25 continues to read as follows:

**Authority:** 19 U.S.C. 81c; 26 U.S.C. 5002, 5051–5054, 5056, 5061, 5091, 5111, 5113, 5142, 5143, 5146, 5222, 5401–5403, 5411–5417, 5551, 5552, 5555, 5556, 5671, 5673, 5684, 6011, 6061, 6065, 6091, 6109, 6151, 6301, 6302, 6311, 6313, 6402, 6651, 6656,

6676, 6806, 7011, 7342, 7606, 7805; 31 U.S.C. 9301, 9303–9308.

**§§ 25.24 and 25.112 [Amended]**

- 10. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 25.24(a)(2) .....	Part 194 .....	Part 31.
§ 25.24(a)(6) .....	Part 194 .....	Part 31.
§ 25.112 .....	Part 194 .....	Part 31.

**PART 26—LIQUORS AND ARTICLES FROM PUERTO RICO AND THE VIRGIN ISLANDS**

- 11. The authority citation for 27 CFR part 26 continues to read as follows:

**Authority:** 19 U.S.C. 81c; 26 U.S.C. 5001, 5007, 5008, 5010, 5041, 5051, 5061, 5081, 5111, 5112, 5114, 5121, 5122, 5124, 5131–5134, 5141, 5146, 5207, 5232, 5271, 5276, 5301, 5314, 5555, 6001, 6301, 6302, 6804, 7101, 7102, 7651, 7652, 7805; 27 U.S.C. 203, 205; 31 U.S.C. 9301, 9303, 9304, 9306.

**§§ 26.44, 26.163, 26.210, 26.272, and 26.319 [Amended]**

- 12. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 26.44 .....	Part 194 .....	Part 31.
§ 26.163 .....	Part 194 (“Liquor Dealers”) .....	Part 31. <sup>1</sup>
§ 26.210 .....	Part 194 .....	Part 31.
§ 26.272 .....	Part 194 .....	Part 31.
§ 26.319 .....	§ 194.263 .....	§ 31.263.

<sup>1</sup> (“Alcohol Beverage Dealers”).

**PART 27—IMPORTATION OF DISTILLED SPIRITS, WINES, AND BEER**

- 13. The authority citation for 27 CFR part 27 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 19 U.S.C. 81c, 1202; 26 U.S.C. 5001, 5007, 5008, 5010, 5041, 5051, 5054, 5061, 5111, 5112, 5114, 5121, 5122, 5124, 5201, 5205, 5207, 5232, 5273, 5301, 5313, 5555, 6302, 7805.

**§§ 27.30, 27.133, and 27.209 [Amended]**

- 14. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 27.30, first sentence .....	Part 194 .....	Part 31.
§ 27.30, second sentence .....	Part 194 .....	Part 31.
§ 27.133 .....	Part 194 .....	Part 31.
§ 27.209 .....	§ 194.263 .....	§ 31.263.

**PART 28—EXPORTATION OF ALCOHOL**

- 15. The authority citation for 27 CFR part 28 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 19 U.S.C. 81c, 1202; 26 U.S.C. 5001, 5007, 5008, 5041, 5051, 5054, 5061, 5111, 5112, 5114, 5121, 5122, 5124, 5201, 5205, 5207, 5232, 5273, 5301, 5313, 5555, 6302, 7805; 27 U.S.C. 203, 205; 44 U.S.C. 3504(h).

**§ 28.3 [Amended]**

- 16. Amend § 28.3 by removing the reference to “27 CFR Part 194—Liquor

Dealers” and adding, in appropriate part number order, a reference to “27 CFR Part 31—Alcohol Beverage Dealers”.

**PART 70—PROCEDURE AND ADMINISTRATION**

- 17. The authority citation for 27 CFR part 70 continues to read as follows:

**Authority:** 5 U.S.C. 301 and 552; 26 U.S.C. 4181, 4182, 5146, 5203, 5207, 5275, 5367, 5415, 5504, 5555, 5684(a), 5741, 5761(b), 5802, 6020, 6021, 6064, 6102, 6155, 6159, 6201, 6203, 6204, 6301, 6303, 6311, 6313, 6314, 6321, 6323, 6325, 6326, 6331–6343,

6401–6404, 6407, 6416, 6423, 6501–6503, 6511, 6513, 6514, 6532, 6601, 6602, 6611, 6621, 6622, 6651, 6653, 6656–6658, 6665, 6671, 6672, 6701, 6723, 6801, 6862, 6863, 6901, 7011, 7101, 7102, 7121, 7122, 7207, 7209, 7214, 7304, 7401, 7403, 7406, 7423, 7424, 7425, 7426, 7429, 7430, 7432, 7502, 7503, 7505, 7506, 7513, 7601–7606, 7608–7610, 7622, 7623, 7653, 7805.

**§§ 70.411 and 70.414 [Amended]**

- 18. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 70.411(c)(16) .....	Part 194 .....	Part 31.
§ 70.414(h) .....	Part 194 .....	Part 31.

**PART 194—LIQUOR DEALERS**

- 19. The authority citation for 27 CFR part 194 continues to read as follows:

**Authority:** 26 U.S.C. 5001, 5002, 5111–5114, 5116, 5117, 5121–5124, 5142, 5143, 5145, 5146, 5206, 5207, 5301, 5352, 5555, 5613, 5681, 5691, 6001, 6011, 6061, 6065, 6071, 6091, 6109, 6151, 6311, 6314, 6402, 6511, 6601, 6621, 6651, 6657, 7011, 7805.

**PART 194—[REDESIGNATED AS PART 31]**

- 20. Transfer 27 CFR part 194 from chapter I, subchapter M, to chapter I, subchapter A, and redesignate as 27 CFR part 31.

**PART 31—LIQUOR DEALERS**

- 21. The authority citation for the newly redesignated 27 CFR part 31 reads as follows:

**Authority:** 26 U.S.C. 5001, 5002, 5111–5114, 5116, 5117, 5121–5124, 5142, 5143, 5145, 5146, 5206, 5207, 5301, 5352, 5555, 5613, 5681, 5691, 6001, 6011, 6061, 6065, 6071, 6091, 6109, 6151, 6311, 6314, 6402, 6511, 6601, 6621, 6651, 6657, 7011, 7805.

**PART 31—ALCOHOL BEVERAGE DEALERS**

- 22. Revise the title of the newly designated part 31 to read as set forth above.

**§ 31.1 [Amended]**

- 23. Amend § 31.1 by removing the words “ATF officers” and adding, in their place, the words “TTB officers”.

**§ 31.11 [Amended]**

- 24. Amend § 31.11 as follows:

- a. Add, in appropriate alphabetical order, a definition of “Administrator”.  
 ■ b. Remove the definition of “ATF officer” and add, in its place, a definition of “Appropriate TTB officer”.  
 ■ c. Remove the definition of “Director”.  
 ■ d. In the definition of “Liquor bottle”, remove the word “Director” and add, in its place, the word “Administrator”.  
 ■ e. Remove the definition of “Regional director (compliance)”.

The additions read as follows:

*Administrator.* The Administrator, Alcohol and Tobacco Tax and Trade Bureau, Department of the Treasury, Washington, DC.

*Appropriate TTB officer.* An officer or employee of the Alcohol and Tobacco Tax and Trade Bureau (TTB) authorized to perform any functions relating to the

administration or enforcement of this part.

**§ 31.41 [Amended]**

- 25. Amend § 31.41 as follows:

- a. In paragraph (a) remove word “Director” and add, in its place, the words “appropriate TTB officer”.  
 ■ b. Revise paragraph (b) to read as follows:

**§ 31.41 Forms prescribed.**

\* \* \* \* \*

(b) Forms prescribed by this part are available for printing through the TTB Web site (<http://www.ttb.gov/>) or by mailing a request to the Alcohol and Tobacco Tax and Trade Bureau, National Revenue Center, 550 Main Street, Room 1516, Cincinnati, OH 45202.

**§§ 31.4, 31.21, 31.23, 31.24, 31.25, 31.26, 31.29, 31.42, 31.51, 31.54, 31.55, 31.56, 31.71, 31.72, 31.94, 31.104, 31.104a, 31.105, 31.106, 31.107, 31.109, 31.110, 31.111, 31.121a, 31.123, 31.124, 31.125, 31.126, 31.127, 31.131, 31.132, 31.133, 31.134, 31.135, 31.136, 31.137, 31.138, 31.139, 31.151, 31.152, 31.153, 31.161, 31.169, and 31.170 [Amended]**

- 26. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 31.4 .....	§ 194.1 .....	§ 31.1.
§ 31.21 .....	§ 194.23 .....	§ 31.23.
§ 31.21 (two times) .....	§ 194.26 .....	§ 31.26.
§ 31.23(a) .....	§ 194.101 .....	§ 31.101.
§ 31.23(b) .....	§ 194.25 .....	§ 31.25.
§ 31.23(b) .....	§ 194.27 .....	§ 31.27.
§ 31.23(b) .....	§ 194.188 .....	§ 31.188.
§ 31.23(b) .....	§ 194.190 .....	§ 31.190.
§ 31.23(b) .....	§ 194.191(a) .....	§ 31.191(a).
§ 31.23(c) .....	§ 194.181 .....	§ 31.181.
§ 31.23(c) .....	§ 194.184 .....	§ 31.184.
§ 31.23(c) .....	§ 194.187 .....	§ 31.187.
§ 31.23(c) .....	§ 194.187a .....	§ 31.187a.
§ 31.24(a) .....	§ 194.101 .....	§ 31.101.
§ 31.24(b) .....	§ 194.26 .....	§ 31.26.
§ 31.24(b) .....	§ 194.188 .....	§ 31.188.
§ 31.24(b) .....	§ 194.190 .....	§ 31.190.
§ 31.24(b) .....	§ 194.192 .....	§ 31.192.
§ 31.24(c) .....	§ 194.181 .....	§ 31.181.
§ 31.24(c) .....	§ 194.184 .....	§ 31.184.
§ 31.25(a) .....	§ 194.101 .....	§ 31.101.
§ 31.25(b) .....	§ 194.27 .....	§ 31.27.
§ 31.25(b) .....	§ 194.188 .....	§ 31.188.
§ 31.25(b) .....	§ 194.189 .....	§ 31.189.
§ 31.25(b) .....	§ 194.191(a) .....	§ 31.191(a).
§ 31.25(c) .....	§ 194.181 .....	§ 31.181.
§ 31.25(c) .....	§ 194.184 .....	§ 31.184.
§ 31.25(c) .....	§ 194.187 .....	§ 31.187.
§ 31.25(c) .....	§ 194.187a .....	§ 31.187a.
§ 31.26(a) .....	§ 194.101 .....	§ 31.101.
§ 31.26(b) .....	§ 194.188 .....	§ 31.188.
§ 31.26(b) .....	§ 194.189 .....	§ 31.189.
§ 31.26(b) .....	§ 194.192 .....	§ 31.192.
§ 31.26(b) .....	§ 194.193 .....	§ 31.193.
§ 31.26(c) .....	§ 194.181 .....	§ 31.181.
§ 31.26(c) .....	§ 194.184 .....	§ 31.184.

Amend	By removing the reference to	And adding in its place
§ 31.29 .....	§ 194.27 .....	§ 31.27.
§ 31.42 .....	ATF .....	TTB.
§ 31.51 .....	§ 194.31 .....	§ 31.31.
§ 31.51 .....	§ 194.181 .....	§ 31.181.
§ 31.51 .....	§ 194.193 .....	§ 31.193.
§ 31.54 .....	§ 194.185 .....	§ 31.185.
§ 31.54 .....	§ 194.186 .....	§ 31.186.
§ 31.55(c) .....	ATF .....	TTB.
§ 31.56 (two times) .....	§ 194.126 .....	§ 31.126.
§ 31.56 (two times) .....	§ 194.185 .....	§ 31.185.
§ 31.56 (two times) .....	§ 194.186 .....	§ 31.186.
§ 31.71 .....	§ 194.24 .....	§ 31.24.
§ 31.71 .....	§ 194.26 .....	§ 31.26.
§ 31.72(b) (two times) .....	§ 194.103(b) .....	§ 31.103(b).
§ 31.94 .....	ATF .....	TTB.
§ 31.94 .....	§ 194.169 .....	§ 31.169.
§ 31.94 .....	§ 194.170 .....	§ 31.170.
§ 31.104 .....	§ 194.106 .....	§ 31.106.
§ 31.104a .....	ATF .....	TTB.
§ 31.105 .....	Bureau of Alcohol, Tobacco, and Firearms .....	Alcohol and Tobacco Tax and Trade Bureau.
§ 31.106(a) .....	ATF .....	TTB.
§ 31.106(b) (three times) .....	ATF .....	TTB.
§ 31.106(b) .....	§ 194.106a .....	§ 31.106a.
§ 31.106(c) (three times) .....	ATF .....	TTB.
§ 31.106(c) .....	§ 194.237 .....	§ 31.237.
§ 31.107 .....	ATF .....	TTB.
§ 31.109 (two times) .....	§ 194.104 .....	§ 31.104.
§ 31.110(b) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.111 .....	§ 194.104 .....	§ 31.104.
§ 31.111 .....	§ 194.109 .....	§ 31.109.
§ 31.111 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.121 .....	§ 194.106(c) .....	§ 31.106(c).
§ 31.121a .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.121a .....	§ 194.134 .....	§ 31.134.
§ 31.121a .....	§ 194.106 .....	§ 31.106.
§ 31.121a .....	ATF .....	TTB.
§ 31.123 .....	Regional directors (compliance) .....	TTB officers.
§ 31.124 .....	§ 194.106(b) .....	§ 31.106(b).
§ 31.125 .....	§ 194.126 .....	§ 31.126.
§ 31.126 .....	§ 194.106(b) .....	§ 31.106(b).
§ 31.126 .....	ATF .....	TTB.
§ 31.126 .....	§ 194.106(c) .....	§ 31.106(c).
§ 31.127 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.131 .....	ATF .....	TTB.
§ 31.132 (two times) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.132 .....	§ 194.131 .....	§ 31.131.
§ 31.133 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.134 (four times) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.135 (two times) .....	ATF .....	TTB.
§ 31.135 .....	§ 194.106 .....	§ 31.106.
§ 31.135 .....	§ 194.106(c) .....	§ 31.106(c).
§ 31.135 .....	§ 194.121a .....	§ 31.121a.
§ 31.136 (two times) .....	ATF .....	TTB.
§ 31.136 (two times) .....	§ 194.137 .....	§ 31.137.
§ 31.136 (two times) .....	§ 194.139 .....	§ 31.139.
§ 31.137, section heading ....	ATF .....	TTB.
§ 31.137 .....	ATF .....	TTB.
§ 31.137 .....	§ 194.136 .....	§ 31.136.
§ 31.137 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.138 .....	ATF .....	TTB.
§ 31.139 (two times) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.139 .....	§ 194.136 .....	§ 31.136.
§ 31.139 .....	ATF .....	TTB.
§ 31.151(a) (six times) .....	ATF .....	TTB.
§ 31.151(a) .....	§ 194.106(c) .....	§ 31.106(c).
§ 31.151(a) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.151(b) .....	§ 194.55(c) .....	§ 31.55(c).
§ 31.152 .....	ATF .....	TTB.
§ 31.152 (two times) .....	§ 194.109 .....	§ 31.109.
§ 31.152 .....	§ 194.103 .....	§ 31.103.
§ 31.152 .....	§ 194.110 .....	§ 31.110.
§ 31.153 .....	§ 194.132 .....	§ 31.132.
§ 31.153 .....	§ 194.133 .....	§ 31.133.
§ 31.161 .....	§ 194.169 .....	§ 31.169.

Amend	By removing the reference to	And adding in its place
§ 31.169 (five times) .....	ATF .....	TTB.
§ 31.169 .....	§ 194.106(b) .....	§ 31.106(b).
§ 31.169 .....	regional director (compliance) or other .....	appropriate.
§ 31.170 .....	§ 194.169 .....	§ 31.169.
§ 31.170 (two times) .....	§ 194.109 .....	§ 31.109.
§ 31.170 .....	§ 194.103 .....	§ 31.103.
§ 31.170 .....	§ 194.110 .....	§ 31.110.

**§ 31.182 [Amended]**

■ 27. Amend § 31.182 as follows:

■ a. In paragraph (a), remove the words “regional director (compliance)”, and add, in their place, the words “appropriate TTB officer”.

■ b. In the second sentence of paragraph (b), remove the words “regional director (compliance) of the region in which the plant is located” and add, in their place, the words “appropriate TTB officer”.

■ c. In the fourth sentence of paragraph (b), remove the words “regional director (compliance)” and add, in their place, the words “appropriate TTB officer”.

**§ 31.183 [Amended]**

■ 28. Amend § 31.183 as follows:

■ a. In the first sentence of paragraph (a), remove the words “regional director (compliance)” and add, in their place, the words “appropriate TTB officer”.

■ b. In the second sentence of paragraph (b), remove the words “regional director (compliance) of the region in which the

bonded wine cellar is located” and add, in their place, the words “appropriate TTB officer”.

■ c. In the fourth sentence of paragraph (b), remove the words “regional director (compliance)” and add, in their place, the words “appropriate TTB officer”.

**§ 31.183a [Amended]**

■ 29. Amend § 31.183a as follows:

■ a. In the first sentence of paragraph (a), remove the reference to “§ 194.103(b)” and add, in its place, “§ 31.103(b)”.

■ b. In the first sentence of paragraph (a), remove the words “regional director (compliance)” and add, in their place, the words “appropriate TTB officer”.

■ c. In the second sentence of paragraph (b), remove the words “regional director (compliance) of the region in which the taxpaid wine bottling house is located” and add, in their place, the words “appropriate TTB officer”.

■ d. In the fourth sentence of paragraph (b), remove the words “(regional director

(compliance)” and add, in their place, the words “appropriate TTB officer”.

**§ 31.184 [Amended]**

■ 30. Amend § 31.184 as follows:

■ a. In the first sentence of paragraph (a), remove the words “regional director (compliance)” and add, in their place, the words “appropriate TTB officer”.

■ b. In the second sentence of paragraph (b), remove the words “regional director (compliance) of the region in which the brewery is located” and add, in their place, the words “appropriate TTB officer”.

■ c. In the fourth sentence of paragraph (b), remove the words “regional director (compliance)” and add, in their place, the words “appropriate TTB officer.”

**§§ 31.187a, 31.187b, and 31.193 [Amended]**

■ 31. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 31.187a .....	§ 194.27 .....	§ 31.27.
§ 31.187b .....	§ 194.72 .....	§ 31.72.
§ 31.193 .....	§ 194.211 .....	§ 31.211.
§ 31.193 .....	§ 194.225 .....	§ 31.225.
§ 31.193 .....	§ 194.226 .....	§ 31.226.
§ 31.193 .....	§ 194.234 .....	§ 31.234.

**§ 31.201 [Amended]**

■ 32. Amend § 31.201 as follows:

■ a. In the second sentence, remove the words “regional director (compliance) serving the region in which the special tax was paid or assessed” and add, in their place, the words “appropriate TTB officer”.

■ b. In the third sentence, remove the words “Bureau of Alcohol, Tobacco and Firearms” and add, in their place, the words “Alcohol and Tobacco Tax and Trade Bureau”.

■ c. In the fourth sentence, remove the words “Bureau of Alcohol, Tobacco and Firearms” and add, in their place, the

words “Alcohol and Tobacco Tax and Trade Bureau”.

**§§ 31.211, 31.221, 31.222, 31.223, 31.227, and 31.228 [Amended]**

■ 33. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 31.211 .....	§ 194.151 .....	§ 31.151.
§ 31.211 .....	§ 194.169 .....	§ 31.169.
§ 31.211 .....	§ 194.31 .....	§ 31.31.
§ 31.211 .....	§ 194.188 .....	§ 31.188.
§ 31.211 .....	§ 194.190 .....	§ 31.190.
§ 31.211 .....	§ 194.192 .....	§ 31.192.
§ 31.211 .....	§ 194.193 .....	§ 31.193.
§ 31.221 .....	§ 194.223 .....	§ 31.223.
§ 31.221 .....	§ 194.224 .....	§ 31.224.
§ 31.221 .....	§ 194.225 .....	§ 31.225.
§ 31.221 .....	§ 194.226 .....	§ 31.226.
§ 31.221 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.221 .....	§ 194.230 .....	§ 31.230.

Amend	By removing the reference to	And adding in its place
§ 31.222 .....	§ 194.237 .....	§ 31.237.
§ 31.222 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.223 .....	ATF .....	TTB.
§ 31.223 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.227 .....	§ 194.225 .....	§ 31.225.
§ 31.227 .....	§ 194.226 .....	§ 31.226.
§ 31.227 .....	§ 194.235 .....	§ 31.235.
§ 31.228 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.228 .....	§ 194.225 .....	§ 31.225.
§ 31.228 .....	§ 194.226 .....	§ 31.226.

**§ 31.229 [Amended]**

## ■ 34. Amend § 31.229 as follows:

■ a. In the first sentence of paragraph (a), remove the word “Director” and add, in its place, the words “appropriate TTB officer”.

■ b. In the second sentence of paragraph (a), remove the words “, in triplicate, to the regional director (compliance)” and

add, in their place, the words “to the appropriate TTB officer”.

■ c. In the fourth sentence of paragraph (a), remove the words “regional director (compliance)” and add, in their place, the words “appropriate TTB officer”.

■ d. Remove the fifth sentence of paragraph (a).

■ e. In the sixth sentence of paragraph (a), remove the word “Director” and add,

in its place, the words “appropriate TTB officer.”

**§§ 31.230, 31.232, 31.233, 31.234, 31.235, 31.236, 31.237, 31.262, 31.264, 31.271, 31.292, and 31.293 [Amended]**

■ 35. Amend the sections listed above as follows:

Amend	By removing the reference to	And adding in its place
§ 31.230(a) (three times) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.230(d) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.230(d) .....	ATF .....	TTB.
§ 31.230(d) .....	§ 194.225 .....	§ 31.225.
§ 31.230(d) .....	§ 194.226 .....	§ 31.226.
§ 31.232 .....	§ 194.230 .....	§ 31.230.
§ 31.233(a) .....	§ 194.225 .....	§ 31.225.
§ 31.233(a) (two times) .....	§ 194.226 .....	§ 31.226.
§ 31.233(a) .....	§ 194.234 .....	§ 31.234.
§ 31.233(b) .....	§ 194.225 .....	§ 31.225.
§ 31.233(b) .....	§ 194.226 .....	§ 31.226.
§ 31.233(c) .....	§ 194.230 .....	§ 31.230.
§ 31.234(a) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.234(a) .....	ATF .....	TTB.
§ 31.235 .....	§ 194.225 .....	§ 31.225.
§ 31.235 .....	§ 194.226 .....	§ 31.226.
§ 31.236 .....	§ 194.230 .....	§ 31.230.
§ 31.236 .....	regional director (compliance) .....	appropriate TB officer.
§ 31.236 .....	ATF .....	TTB.
§ 31.237 .....	ATF .....	TTB.
§ 31.237 .....	regional director (compliance) .....	appropriate TB officer.
§ 31.262 (two times) .....	§ 194.261 .....	§ 31.261.
§ 31.264 .....	§ 194.293 .....	§ 31.293.
§ 31.271(a) (two times) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.271(b) .....	ATF .....	TTB.
§ 31.271(b) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.271(c) (two times) .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.271(c) .....	§ 194.236 .....	§ 31.236.
§ 31.271(c) .....	§ 194.237 .....	§ 31.237.
§ 31.292 .....	regional director (compliance) .....	appropriate TTB officer.
§ 31.293 .....	§ 194.264 .....	§ 31.264.



Signed: February 18, 2005.

**John J. Manfreda,**  
*Administrator.*

Approved: March 1, 2005.

**Timothy E. Skud,**  
*Deputy Assistant Secretary (Tax, Trade, and  
Tariff Policy).*

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## DEPARTMENT OF THE TREASURY

### Alcohol and Tobacco Tax and Trade Bureau

#### 27 CFR Part 45

[T.D. TTB-26]

RIN 1513-AA99

#### Removal of Tobacco Products and Cigarette Papers and Tubes, Without Payment of Tax, for United States Use in Law Enforcement Activities

**AGENCY:** Alcohol and Tobacco Tax and  
Trade Bureau, Treasury.

**ACTION:** Temporary rule; solicitation of  
comments.

**SUMMARY:** The Department of the  
Treasury and the Alcohol and Tobacco  
Tax and Trade Bureau adopt a  
temporary amendment to the  
regulations relating to the removal of  
tobacco products and cigarette papers  
and tubes, without payment of tax, for  
use of the United States. This  
amendment allows manufacturers of  
tobacco products and cigarette papers  
and tubes to remove these articles  
without payment of tax for use by  
Federal agencies in their law  
enforcement activities, and to exempt  
packages of those removed products  
from the tax-exempt labeling  
requirement. We take this action to  
timely meet the needs of Federal agency  
law enforcement operations,  
particularly investigations involving  
tobacco product diversion and  
smuggling.

**DATES:** This temporary rule is effective  
April 15, 2005. We must receive written  
comments on or before June 14, 2005.

**ADDRESSES:** You may send comments to  
any of the following addresses:

- Chief, Regulations and Procedures  
Division, Alcohol and Tobacco Tax and  
Trade Bureau, (Attn: T.D. TTB-26), P.O.  
Box 14412, Washington, DC 20044-  
4412.

- 202-927-8525 (facsimile).

- [nprm@ttb.gov](mailto:nprm@ttb.gov) (e-mail).

- [http://www.ttb.gov/tobacco/rules/  
index.htm](http://www.ttb.gov/tobacco/rules/index.htm). (An online comment form is  
posted with this temporary rule  
document on our Web site).

- <http://www.regulations.gov> (Federal  
e-rulemaking portal; follow instructions  
for submitting comments).

You may view copies of this  
document and any comments we  
receive on this temporary rule by  
appointment at the TTB Library, 1310 G  
Street NW., Washington, DC 20220. To  
make an appointment, call 202-927-  
2400. You may also access copies of this  
document and any comments received  
online at [http://www.ttb.gov/tobacco/  
rules/index.htm](http://www.ttb.gov/tobacco/rules/index.htm).

#### FOR FURTHER INFORMATION CONTACT:

Linda Wade Chapman, Alcohol and  
Tobacco Tax and Trade Bureau,  
Regulations and Procedures Division,  
1310 G Street NW., Suite 200-E,  
Washington, DC 20220; telephone 202-  
927-8210; or e-mail  
[Linda.Chapman@ttb.gov](mailto:Linda.Chapman@ttb.gov).

#### SUPPLEMENTARY INFORMATION:

##### Background

##### *Statutory and Regulatory Provisions*

Section 5704(b) of the Internal  
Revenue Code of 1986 (26 U.S.C.  
5704(b)) provides that a manufacturer  
may, among other things, remove  
tobacco products and cigarette papers  
and tubes without payment of tax for  
use of the United States, in accordance  
with regulations prescribed by the  
Secretary of the Treasury. The  
regulations administered by the Alcohol  
and Tobacco Tax and Trade Bureau  
(TTB) include, in part 45 (27 CFR part  
45), provisions that implement this  
aspect of section 5704(b).

Section 45.31 of the TTB regulations  
(27 CFR 45.31) sets forth two  
circumstances in which manufacturers  
of tobacco products and cigarette papers  
and tubes may remove those articles for  
sale or donation to Federal agencies  
without payment of Federal excise tax.  
Specifically:

- In the case of articles purchased by  
a Federal agency with funds  
appropriated by the U.S. Congress, the  
manufacturer may remove the articles  
for delivery to the Federal agency for  
gratuitous distribution under the  
supervision of the agency.

- In the case of articles purchased by  
a donor from a manufacturer or donated  
directly by a manufacturer, the  
manufacturer may remove the articles  
for delivery to a Federal agency for  
gratuitous distribution, under the  
supervision of the agency, to charges of  
the United States or to patients in a  
hospital or institution operated by a  
State Government or the District of  
Columbia where the Federal agency  
maintains a program for distribution to  
members or veterans of the armed forces

of the United States in the hospital or  
institution.

Section 45.31 further provides that  
tobacco products and cigarette papers  
and tubes removed under the provisions  
of part 45 may not be sold subsequent  
to removal.

In addition, § 45.46 of the TTB  
regulations (27 CFR 45.46) provides that  
every package of tobacco products and  
cigarette papers and tubes removed  
under part 45 must have the words  
“Tax-Exempt. For Use of U.S. Not To Be  
Sold.” adequately imprinted on the  
package or on a label securely affixed to  
the package.

##### *The Need for Regulatory Change*

Individuals and criminal  
organizations continue to engage in  
criminal activities involving diversion  
of tobacco products from the legal  
market and the smuggling of genuine  
and counterfeit tobacco products. These  
activities often violate the Contraband  
Cigarette Trafficking Act (18 U.S.C. 2341  
*et seq.*), the Jenkins Act (15 U.S.C. 375  
*et seq.*), or other statutory provisions,  
endanger the public, and jeopardize  
Federal, State, and local government  
revenues. For example, in 2002, a U.S.  
district court in North Carolina  
convicted several people of smuggling  
large quantities of cigarettes from that  
State for resale in higher-tax States in  
order to raise funds for a foreign  
terrorist organization. In addition, in  
January 2004, an indictment returned in  
El Paso, Texas, in response to a criminal  
investigation charged a criminal group  
with smuggling over 107 million  
counterfeit and properly trademarked  
cigarettes across the southern U.S.  
border, thereby costing the Federal  
government and three State  
governments over \$8 million in lost tax  
revenue.

On numerous occasions, Federal law  
enforcement agencies—including the  
Federal Bureau of Investigation, the  
Bureau of Alcohol, Tobacco, Firearms,  
and Explosives, and the Bureau of  
Immigration and Customs  
Enforcement—have used non-taxpaid  
tobacco products provided by a  
manufacturer in undercover, sting, or  
other law enforcement activities. Many  
tobacco product manufacturers are  
willing to provide Federal agencies with  
tobacco products for use in law  
enforcement activities, and we believe  
they should be able to remove those  
products without payment of tax under  
26 U.S.C. 5704(b). However, because  
§ 45.31 does not specifically authorize  
the tax-free removal of such goods for  
Federal law enforcement purposes,  
these Federal agencies must ask the  
manufacturer to apply to TTB for