

manufacturer may use commercial records from which the required information may be readily ascertained for this purpose. The manufacturer shall keep the auxiliary and supplemental records from which such records are compiled and shall keep supporting records, as specified in §§40.184 and 40.186, of tobacco products removed subject to tax and transferred in bond. Except as provided in §§40.184 and 40.186, the entries in the commercial records so maintained or kept shall be made not later than the close of the next business day following the day on which the transaction(s) occurred. As used in this section the term *business day* shall mean any day other than Saturday, Sunday, a legal holiday in the District of Columbia, or a statewide legal holiday in the State wherein the factory to which the records relate is located.

(72 Stat. 1423, as amended; 26 U.S.C. 5741)

[T.D. ATF-424, 64 FR 71931, Dec. 22, 1999]

§ 40.182 Record of processed tobacco.

(a) A manufacturer of tobacco products who processes tobacco on the factory premises solely for use in the manufacture of tobacco products under that permit, and who does not remove processed tobacco from the factory premises for any purpose other than destruction, must maintain a daily record that shows the total quantity in pounds of all processed tobacco:

- (1) On hand;
- (2) Received, together with the name and address of the person from whom received;
- (3) Used in the manufacture of tobacco products;
- (4) Lost, together with the circumstances of the loss; and
- (5) Destroyed, together with the circumstances of the destruction.

(b) In addition to the recordkeeping and reporting requirements set forth elsewhere in this part, a manufacturer of tobacco products who removes processed tobacco from the factory premises for any purpose other than for destruction must keep records and submit reports as prescribed in §§40.521 and 40.522.

(Approved by the Office of Management and Budget under control number 1513-0068)

EFFECTIVE DATE NOTE: By T.D. TTB-78, at 74 FR 29409, June 22, 2009, §40.182 was revised, effective June 22, 2009 through June 22, 2012.

§ 40.183 Record of tobacco products.

The record of a manufacturer of tobacco products shall show the date and total quantities of all tobacco products, by kind (small cigars-large cigars; small cigarettes-large cigarettes; chewing tobacco-snuff; pipe tobacco; roll-your-own tobacco):

- (a) Manufactured;
- (b) Received in bond by—
 - (1) Transfer from other factories,
 - (2) Release from customs custody,
 - (3) Transfer from export warehouses, and
 - (4) Transfer from foreign trade zone;
- (c) Received by return to bond;
- (d) Disclosed as an overage by inventory;
- (e) Removed subject to tax (itemize large cigars by sale price in accordance with §40.22, except that before April 1, 2009, cigars that cost more than \$235.294 may optionally be shown as if the price were \$236 per thousand, and on and after April 1, 2009, cigars that cost more than \$763.222 may optionally be shown as if the price were \$764 per thousand);
- (f) Removed, in bond, for—
 - (1) Export,
 - (2) Transfer to export warehouses,
 - (3) Transfer to other factories,
 - (4) Transfer to a foreign trade zone
 - (5) Use of the United States, and
 - (6) Experimental purposes off factory premises;
- (g) Otherwise disposed of, without determination of tax, by—
 - (1) Consumption by employees on factory premises,
 - (2) Consumption by employees off factory premises, together with the number of employees to whom furnished,
 - (3) Use for experimental purposes on factory premises,
 - (4) Loss,
 - (5) Destruction, and
 - (6) Reduction to materials;
- (h) Disclosed as a shortage by inventory; and
 - (i) On which the tax has been determined and which are—
 - (1) Received, and