

*CFR.* The Code of Federal Regulations.

*Commercial bank.* A bank, whether or not a member of the Federal Reserve System, which has access to the Federal Reserve Communications System (FRCS) or Fedwire. The “FRCS” or “Fedwire” is a communications network that allows Federal Reserve System member banks to effect a transfer of funds for their customers (or other commercial banks) to the Treasury Account at the Federal Reserve Bank of New York.

*Electronic fund transfer or EFT.* Any transfer of funds effected by a taxpayer’s commercial bank, either directly or through a correspondent banking relationship, via the Federal Reserve Communications System (FRCS) or Fedwire to the Treasury Account at the Federal Reserve Bank of New York.

*Enforced collection.* Collection of taxes when a taxpayer neglects or refuses to pay voluntarily. Includes such administrative measures as liens and levies.

*Levy.* The taking of property by seizure and sale or by collection of money due to the debtor, such as wages.

*Lien.* A charge upon real or personal property for the satisfaction of some debt or performance of an obligation.

*Person.* An individual, a trust, estate, partnership, association or other unincorporated organization, fiduciary, company, or corporation, or the District of Columbia, a State, or a political subdivision thereof (including a city, county, or other municipality).

*Provisions of 26 U.S.C. enforced and administered by the Bureau.* Sections 4181 and 4182 of the Internal Revenue Code of 1986 (the Code), as amended; subchapters F and G of chapter 32 of the Code, insofar as they relate to activities administered and enforced with respect to sections 4181 and 4182 of the Code; subtitle E of the Code; and subtitle F of the Code as it relates to any of the foregoing.

*Secretary.* The Secretary of the Treasury or designated delegate.

*Seizure.* The act of taking possession of property to satisfy a tax liability or by virtue of an execution.

*Treasury Account.* The Department of the Treasury’s General Account at the Federal Reserve Bank of New York.

*U.S.C.* The United States Code.

(Aug. 16, 1954, Ch. 736, 68A Stat. 775 (26 U.S.C. 6301); June 29, 1956, Ch. 462, 70 Stat. 391 (26 U.S.C. 6301))

[T.D. ATF-48, 43 FR 13535, Mar. 31, 1978; 44 FR 55841, Sept. 28, 1979, as amended by T.D. ATF-77, 46 FR 3002, Jan. 13, 1981; T.D. ATF-301, 55 FR 47608, Nov. 14, 1990; T.D. ATF-331, 57 FR 40327, Sept. 3, 1992; T.D. ATF-378, 61 FR 29955, June 13, 1996; T.D. ATF-450, 66 FR 29022, May 29, 2001; T.D. TTB-44, 71 FR 16959, Apr. 4, 2006]

## Subpart C—Discovery of Liability and Enforcement of Laws

### EXAMINATION AND INSPECTION

#### § 70.21 Canvass of regions for taxable persons and objects.

Each appropriate TTB officer shall, to the extent deemed practicable, cause officers or employees under the appropriate TTB officer’s supervision and control to proceed, from time to time, and inquire after and concerning all persons therein who may be liable to pay any tax, imposed under provisions of 26 U.S.C. enforced and administered by the Bureau, and all persons owning or having the care and management of any objects with respect to which such tax is imposed.

[T.D. ATF-331, 57 FR 40327, Sept. 3, 1992, as amended by T.D. ATF-450, 66 FR 29023, May 29, 2001]

#### § 70.22 Examination of books and witnesses.

(a) *In general.* For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any tax imposed under provisions of 26 U.S.C. enforced and administered by the Bureau (including any interest, additional amount, addition to the tax, or civil penalty) or the liability at law or in equity of any transferee or fiduciary of any person in respect of any such tax, or collecting any such liability, any appropriate TTB officer may examine any books, papers, records or other data which may be relevant or material to such inquiry; and take such testimony of the person concerned, under oath, as may be relevant to such inquiry.

## § 70.23

(b) *Summonses.* For the purposes described in paragraph (a) of this section the appropriate TTB officers are authorized to summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of accounts containing entries relating to the business of the person liable for tax or required to perform the act, or any person deemed proper, to appear before a designated officer or employee of the Bureau at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry. Such TTB officer may designate an appropriate TTB officer as the individual before whom a person summoned pursuant to 26 U.S.C. 7602 shall appear. Any such officer, when so designated in a summons, is authorized to take testimony under oath of the person summoned and to receive and examine books, papers, records, or other data produced in compliance with the summons. The authority to issue a summons may not be redelegated. See § 70.302 of this part for rules concerning payments to certain persons who are summoned to give information to the Bureau under 26 U.S.C. 7602 and this section.

(Aug. 16, 1954, Chapter 736, 68A Stat. 901; (26 U.S.C. 7602))

[T.D. ATF-6, 38 FR 32445, Nov. 26, 1973, as amended by T.D. ATF-42, 42 FR 8367, Feb. 10, 1977; T.D. ATF-301, 55 FR 47608, Nov. 14, 1990; T.D. ATF-331, 57 FR 40328, Sept. 3, 1992; T.D. ATF-450, 66 FR 29023, May 29, 2001]

### § 70.23 Service of summonses.

(a) *In general.* A summons issued under 26 U.S.C. 7602 shall be served by an attested copy delivered in hand to the person to whom it is directed, or left at his last and usual place of abode. The certificate of service signed by the person serving the summons shall be evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of books, papers, records, or other data, it

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shall be sufficient if such books, papers, records, or other data are described with reasonable certainty.

(b) *Persons who may serve summonses.* Any appropriate TTB officer may serve a summons issued under 26 U.S.C. 7602.

(68A Stat. 902, as amended (26 U.S.C. 7603); 26 U.S.C. 7805 (68A Stat. 917), 27 U.S.C. 205 (49 Stat. 981 as amended), 18 U.S.C. 926 (82 Stat. 959), and sec. 38, Arms Export Control Act (22 U.S.C. 2778, 90 Stat. 744), 27 U.S.C. 205, 22 U.S.C. 2778, 26 U.S.C. 7602, and 5 U.S.C. 301)

[T.D. ATF-6, 38 FR 32445, Nov. 26, 1973, as amended by T.D. ATF-48, 43 FR 13531, Mar. 31, 1978; T.D. ATF-201, 50 FR 12533, Mar. 29, 1985; T.D. ATF-249, 52 FR 5961, Feb. 27, 1987; T.D. ATF-301, 55 FR 47608, Nov. 14, 1990; T.D. ATF-450, 66 FR 29023, May 29, 2001]

### § 70.24 Enforcement of summonses.

(a) *In general.* Whenever any person summoned under 26 U.S.C. 7602 neglects or refuses to obey such summons, or to produce books, papers, records, or other data, or to give testimony, as required, application may be made to the judge of the district court or to a U.S. magistrate for the district within which the person so summoned resides or is found for an attachment against him as for a contempt.

(b) *Persons who may apply for an attachment.* Appropriate TTB officers are authorized to apply for an attachment as provided in paragraph (a) of this section. The authority to apply for an attachment for the enforcement of a summons may not be redelegated.

(68A Stat. 902, as amended (26 U.S.C. 7604))

[T.D. ATF-6, 38 FR 32445, Nov. 26, 1973; 38 FR 33767, Dec. 7, 1973, as amended by T.D. ATF-450, 66 FR 29023, May 29, 2001]

### § 70.25 Special procedures for third-party summonses.

(a) When the Bureau summons the records of persons defined by 26 U.S.C. 7609(a)(3) as “third-party record-keepers”, the person about whom information is being gathered must be notified in advance, except when:

(1) The summons is served on the person about whom information is being gathered, or any officer or employee of such person, or

(2) The summons is served to determine whether or not records of the business transactions or affairs of an