

**§ 5762. Criminal penalties****(a) Fraudulent offenses**

Whoever, with intent to defraud the United States—

**(1) Engaging in business unlawfully**

Engages in business as a manufacturer or importer of tobacco products or cigarette papers and tubes, or as an export warehouse proprietor, without filing the bond and obtaining the permit where required by this chapter or regulations thereunder; or

**(2) Failing to furnish information or furnishing false information**

Fails to keep or make any record, return, report, or inventory, or keeps or makes any false or fraudulent record, return, report, or inventory, required by this chapter or regulations thereunder; or

**(3) Refusing to pay or evading tax**

Refuses to pay any tax imposed by this chapter, or attempts in any manner to evade or defeat the tax or the payment thereof; or

**(4) Removing tobacco products or cigarette papers or tubes unlawfully**

Removes, contrary to this chapter or regulations thereunder, any tobacco products or cigarette papers or tubes subject to tax under this chapter; or

**(5) Purchasing, receiving, possessing, or selling tobacco products or cigarette papers or tubes unlawfully**

Violates any provision of section 5751(a)(1) or (a)(2); or

**(6) Destroying, obliterating, or detaching marks, labels, or notices before packages are emptied**

Violates any provision of section 5752;

shall, for each such offense, be fined not more than \$10,000, or imprisoned not more than 5 years, or both.

**(b) Other offenses**

Whoever, otherwise than as provided in subsection (a), violates any provision of this chapter, or of regulations prescribed thereunder, shall, for each such offense, be fined not more than \$1,000, or imprisoned not more than 1 year, or both.

(Aug. 16, 1954, ch. 736, 68A Stat. 717; Pub. L. 85-859, title II, § 202, Sept. 2, 1958, 72 Stat. 1425; Pub. L. 89-44, title V, § 502(b)(12), June 21, 1965, 79 Stat. 152; Pub. L. 94-455, title XIX, § 1905(b)(7)(B)(ii), Oct. 4, 1976, 90 Stat. 1823; Pub. L. 105-33, title IX, § 9302(h)(2)(A), Aug. 5, 1997, 111 Stat. 674.)

**Editorial Notes****AMENDMENTS**

1997—Subsec. (a)(1). Pub. L. 105-33 inserted “or importer” after “manufacturer”.

1976—Subsec. (a)(6). Pub. L. 94-455 redesignated par. (7) as (6), and in par. (6) as so redesignated substituted “or notices” for “notices, or stamps” and “section 5752:” for “section 5752(a); or”. Former par. (6), relating to the affixing of improper stamps, was struck out.

Subsec. (a)(7). Pub. L. 94-455 redesignated par. (7) as (6).

Subsec. (a)(8) to (11). Pub. L. 94-455 struck out pars. (8) to (11) which related to emptying packages without destroying stamps, possessing emptied packages bearing stamps, refilling packages bearing stamps, and detaching stamps or possessing used stamps.

1965—Subsec. (a)(1). Pub. L. 89-44, § 502(b)(12)(A), struck out reference to a dealer in tobacco materials.

Subsec. (a)(2). Pub. L. 89-44, § 502(b)(12)(B), struck out reference to statements.

1958—Subsec. (a). Pub. L. 85-859 included export warehouse proprietors in par. (1), struck out provisions in pars. (6) and (9) to (11) which related to labels and notices, and added pars. (7) and (8).

**Statutory Notes and Related Subsidiaries****EFFECTIVE DATE OF 1997 AMENDMENT**

Amendment by Pub. L. 105-33 applicable to articles removed, as defined in section 5702(j) of this title, after Dec. 31, 1999, with transition rule, see section 9302(i) of Pub. L. 105-33, set out as a note under section 5701 of this title.

**EFFECTIVE DATE OF 1976 AMENDMENT**

Amendment by Pub. L. 94-455 effective on first day of first month which begins more than 90 days after Oct. 4, 1976, see section 1905(d) of Pub. L. 94-455, set out as a note under section 5005 of this title.

**EFFECTIVE DATE OF 1965 AMENDMENT**

Amendment by Pub. L. 89-44 applicable on and after January 1, 1966, see section 701(d) of Pub. L. 89-44, set out as a note under section 5701 of this title.

**EFFECTIVE DATE OF 1958 AMENDMENT**

Amendment by Pub. L. 85-859 effective Sept. 3, 1958, see section 210(a)(1) of Pub. L. 85-859, set out as an Effective Date note under section 5001 of this title.

**§ 5763. Forfeitures****(a) Tobacco products and cigarette papers and tubes unlawfully possessed****(1) Tobacco products and cigarette papers and tubes possessed with intent to defraud**

All tobacco products and cigarette papers and tubes which, after removal, are possessed with intent to defraud the United States shall be forfeited to the United States.

**(2) Tobacco products and cigarette papers and tubes not property packaged**

All tobacco products and cigarette papers and tubes not in packages as required under section 5723 or which are in packages not bearing the marks, labels, and notices, as required under such section, which, after removal, are possessed otherwise than with intent to defraud the United States, shall be forfeited to the United States. This paragraph shall not apply to tobacco products or cigarette papers or tubes sold or delivered directly to consumers from proper packages.

**(b) Personal property of qualified manufacturers, qualified importers, and export warehouse proprietors, acting with intent to defraud**

All tobacco products and cigarette papers and tubes, packages, machinery, fixtures, equipment, and all other materials and personal property on the premises of any qualified manufacturer or importer of tobacco products or ciga-