

**DEPARTMENT OF THE TREASURY****Bureau of Alcohol, Tobacco and Firearms**

**27 CFR Parts 19, 24, 25, 70, 170, 179, 194, 197, 250, 270, 275, 285, 290, and 296**

[T.D. ATF-301]

**Change in Responsibility for Enforced Collection of Certain Alcohol, Tobacco, and Firearms Taxes**

**AGENCY:** Bureau of Alcohol, Tobacco and Firearms (ATF), Department of the Treasury.

**ACTION:** Treasury decision, final rule.

**SUMMARY:** This Treasury decision will transfer from the Internal Revenue Service (IRS) to ATF the functions associated with enforced collection of delinquencies of the special (occupational) tax, the domestic excise tax on distilled spirits, wine, malt beverages, tobacco products, cigarette papers and tubes, and the firearms tax imposed by subtitle E of the Internal Revenue Code. Furthermore, certain procedural and administrative rules are being adopted from IRS regulations in 26 CFR 301 to ATF regulations in 27 CFR part 70. In addition, changes in part 70 are being made to reflect amendments made to 26 U.S.C. 6651 and 6656 by the Omnibus Budget Reconciliation Act, Public Law 101-239.

**EFFECTIVE DATE:** October 1, 1990.

**FOR FURTHER INFORMATION CONTACT:** Jackie White, Coordinator, Tax Compliance Branch, Bureau of Alcohol, Tobacco and Firearms, Ariel Rios Federal Building, 1200 Pennsylvania Avenue, NW., Washington, DC 20226, (202) 566-7602.

**SUPPLEMENTARY INFORMATION:**

**Background**

On July 1, 1972, ATF was established by Treasury Department Order No. 120-01 (formerly Order No. 221). This Order transferred from IRS to the newly-formed Bureau the functions, powers and duties relating to alcohol, tobacco, firearms, and explosives laws. The Order specifically stated that "all existing activities relating to the collection, processing, depositing, or accounting for taxes \* \* \* shall continue to be performed by the Commissioner of Internal Revenue to the extent not now performed by the Alcohol, Tobacco and Firearms Division until the Director shall otherwise provide with the approval of the Secretary." ATF assumed responsibility for the collection of taxes imposed by subtitle E of the Internal Revenue Code

in July, 1987, by means of T.D. ATF-251, and adopted provisions in 27 CFR part 70 similar to the portions of 26 CFR part 301 which concerned deposit and assessment of taxes. This final rule will transfer the remaining collection functions with respect to taxes administered by ATF. These functions include the use of liens and levies in enforcement of the taxes under ATF's jurisdiction. ATF is adopting regulations similar to those used by IRS in support of enforced collection.

In addition to adopting regulations on enforced collection activities, this final rule also recodifies additional regulations from 26 CFR relating to the examination, assessment, and collection functions. ATF has now determined that these additional regulations are applicable to its tax collection activities.

Existing sections in 27 CFR part 70 will be renumbered to allow insertion of new sections. These sections are redesignated by means of a table in paragraph 13. In some cases, existing sections of 27 CFR part 70 have been expanded to include material related to enforced collections, and amended to show new titles of responsible officials where appropriate. Each section in title 27 of the Code of Federal Regulations which refers to a section in 26 CFR part 301 which has been adopted in 27 CFR part 70 or to a section of 27 CFR part 70 which has been redesignated has been changed to reflect the new reference. References to the old section numbers within 27 CFR part 70 have been updated to show the new section numbers.

**Administrative Procedure Act**

Because this final rule is a rule of agency management that merely transfers existing requirements relating to enforced collection of taxes to ATF from the Internal Revenue Service, it is found to be unnecessary to issue this Treasury decision for notice and public procedure or subject to a delayed effective date pursuant to 5 U.S.C. 553(a)(2), (b)(B) and (d)(3).

**Regulatory Flexibility Act**

The provisions of the Regulatory Flexibility Act relating to a final regulatory flexibility analysis (5 U.S.C. 604) are not applicable to this final rule because a general notice of proposed rulemaking is not required under 5 U.S.C. 553 or any other law.

**Executive Order 12291**

Because this rule relates to agency organization, management and procedure, the provisions of Executive Order 12291 do not apply.

**Paperwork Reduction Act**

This final rule does not affect any recordkeeping or reporting requirements.

**Drafting Information**

The principal author of this document is Marjorie Dundas of the Wine and Beer Branch, Bureau of Alcohol, Tobacco and Firearms.

**List of Subjects**

*27 CFR Part 19*

Administrative practice and procedure, Alcohol and alcoholic beverages, Authority delegations, Claims, Chemicals, Customs duties and inspection, Electronic fund transfers, Excise taxes, Exports, Gasohol, Imports, Labeling, Liquors, Packaging and containers, Puerto Rico, Reporting and recordkeeping requirements, Research, Security measures, Spices and flavorings, Surety bonds, Transportation, Virgin Islands, Warehouses, Wine.

*27 CFR Part 24*

Administrative practice and procedure, Authority delegations, Claims, Electronic fund transfers, Excise taxes, Exports, Food additives, Fruit juices, Labeling, Liquors, Packaging and containers, Reporting requirements, Research, Scientific equipment, Spices and flavorings, Surety bonds, Taxpaid wine bottling house, Transportation, Vinegar, Warehouses, Wine.

*27 CFR Part 25*

Administrative practice and procedure, Authority delegations, Beer, Claims, Electronic fund transfers, Excise taxes, Labeling, Packaging and containers, Reporting and recordkeeping requirements, Research, Surety bonds, Transportation.

*27 CFR Part 70*

Administrative practice and procedure, Alcohol and alcoholic beverages, Authority delegations, Claims, Excise taxes, Firearms and ammunition, Government employees, Law enforcement, Law enforcement officers, Penalties, Seizures and forfeitures, Surety bonds, Tobacco.

*27 CFR Part 170*

Alcohol and alcoholic beverages, Authority delegations, Claims, Customs duties and inspection, Disaster assistance, Excise taxes, Labeling, Liquors, Penalties, Reporting and recordkeeping requirements, Surety bonds, Wine.