

Alcohol and Tobacco Tax and Trade Bureau, Treasury

§ 41.106

to meet customs recordkeeping requirements.

(72 Stat. 1418, as amended, 1423, as amended; 26 U.S.C. 5704, 5741)

[T.D. ATF-422, 64 FR 71950, Dec. 22, 1999. Re-designated and amended by T.D. TTB-16, 69 FR 52424, 52425, Aug. 26, 2004]

Subpart G—Puerto Rican Tobacco Products and Cigarette Papers and Tubes, Brought Into the United States

§ 41.101 General.

(a) Tobacco products and cigarette papers and tubes manufactured in Puerto Rico which are brought into the United States and withdrawn for consumption or sale are subject to the tax imposed by 26 U.S.C. 7652(a), at the rates set forth in 26 U.S.C. 5701.

(b) The excise taxes collected on tobacco products and cigarette papers and tubes manufactured in Puerto Rico are covered into the Treasury of Puerto Rico. Tobacco products and cigarette papers and tubes are considered as manufactured in Puerto Rico for purposes of 26 U.S.C. 7652(a)(3) if the sum of the cost or value of the materials produced in Puerto Rico, plus the direct costs of processing operations performed in Puerto Rico, equals or exceeds 50 percent of the value of the product when it is brought into the United States.

(c) The excise tax on tobacco products and cigarette papers and tubes of Puerto Rican manufacture may be prepaid in Puerto Rico prior to shipment of such articles to the United States in accordance with § 41.105. In the case of tobacco products such tax may be paid in Puerto Rico on the basis of a semi-monthly return in accordance with the applicable provisions of this subpart.

(68A Stat. 907, as amended, 72 Stat. 1417, 1418, as amended (26 U.S.C. 7652, 5703, 5704))

[T.D. ATF-206, 50 FR 15888, Apr. 23, 1985, as amended by T.D. ATF-232, 51 FR 28085, Aug. 5, 1986; T.D. ATF-243, 52 FR 43194, Dec. 1, 1986; T.D. ATF-246, 52 FR 669, Jan. 8, 1987; T.D. ATF-422, 64 FR 71950, Dec. 22, 1999. Re-designated and amended by T.D. TTB-16, 69 FR 52424, 52425, Aug. 26, 2004]

PREPAYMENT OF TAX IN PUERTO RICO ON TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES

§ 41.105 Prepayment of tax.

To prepay, in Puerto Rico, the internal revenue tax imposed by 26 U.S.C. 7652(a) on tobacco products and cigarette papers and tubes of Puerto Rican manufacture to be shipped to the United States, the shipper must file, or cause to be filed, a tax return, TTB F 5000.25, with full remittance of the tax which will become due on those products.

(Approved by the Office of Management and Budget under control number 1513-0090)

[T.D. ATF-444, 73 FR 16756, Mar. 31, 2008]

§ 41.106 Record of shipment by taxpayer.

(a) *Shipments other than noncommercial mail shipments.* The taxpayer must ensure that the tax has been prepaid on the tobacco products and cigarette papers and tubes in each shipment. The taxpayer must identify the tobacco products or cigarette papers or tubes by including on the bill of lading or similar record accompanying the shipment the following information:

(1) The marks and numbers on the shipping containers;

(2) The number of containers to be shipped;

(3) The kind of taxable article(s) to be shipped and the rate of tax applicable to each kind of article, as specified in §§ 41.30 through 41.35;

(4) The number of small cigarettes, large cigarettes, or small cigars to be shipped;

(5) The number and total sale price of large cigars having a sale price of not more than \$235.294 per thousand before April 1, 2009, or a sale price of not more than \$763.222 per thousand on and after April 1, 2009, to be shipped;

(6) The number of large cigars having a sale price of more than \$235.294 per thousand before April 1, 2009, or a sale price of more than \$763.222 per thousand on and after April 1, 2009, to be shipped;

(7) The pounds and ounces of chewing tobacco or snuff to be shipped;

(8) The pounds and ounces of pipe tobacco or roll-your-own tobacco to be shipped;