

(b) The records of any importer who transfers or sells processed tobacco to a person who does not hold a TTB permit as an importer or manufacturer of tobacco products or of processed tobacco or as an export warehouse proprietor must include dated, commercial records that show the following information about each removal:

(1) The full name and address (including city and State) of the purchaser (or recipient, if there is no purchaser);

(2) The full name, address (including city and State), and driver's license number of the person picking up the processed tobacco for delivery;

(3) The license number of the vehicle in which the processed tobacco is picked up for delivery to purchaser or transferee;

(4) The street address of the destination of the processed tobacco;

(5) The quantity of processed tobacco in the shipment;

(6) A declaration by the purchaser (or recipient, if no purchaser) of the specific purpose of the purchase or receipt (for example, delivery to another, resale); and

(7) A declaration by the purchaser (or recipient, if no purchaser) of the name and address of his or her principal when acting as an agent.

(c) The entries in the records required under this section must be made for each day by the close of the business day following the day on which the transfer or sale occurs. Although no particular format for the records is prescribed, the required information must be readily ascertainable from the records kept.

(d) An importer operating under the transitional rule, set forth in §41.233, must also comply with the requirements of this section.

(26 U.S.C. 5741)

§41.262 Reports.

(a) *General.* Every importer of processed tobacco must prepare a monthly report on TTB F 5220.6 in accordance with the instructions for the form. The report must be prepared at the times specified in this section and must be prepared whether or not any operations or transactions occurred during the period covered by the report. The importer must retain a copy of each re-

port in accordance with the provisions of this subpart.

(b) *First report(s).* The first monthly report must be submitted by the 15th day of the month following the month in which the permit is issued. If the importer is operating as an importer of processed tobacco under the transitional rule in accordance with §41.233, the importer must submit the first report by the 15th day of the month following the month in which TTB provides written acknowledgement of the receipt of the application filed under §41.232.

(c) *Reports of no activity.* Reports with the notation "No Activity" must be made for those months in which no activity occurs.

(d) *Reports of sales and transfers.* An importer who transfers or sells processed tobacco to someone other than a person holding a TTB permit as an importer or manufacturer of processed tobacco or tobacco products or as an export warehouse proprietor must report such sale or transfer on TTB F 5250.2 by the close of the business day on the day following the transfer or sale, in accordance with the instructions on the form. An importer operating under the transitional rule set forth in §41.233 must comply with the requirements of this paragraph.

(e) *Concluding report.* When a transfer of ownership of the business of an importer of processed tobacco described in §41.252(b) occurs, or when a change in control of a corporation described in §41.252(d) occurs, a concluding report with the notation "Concluding Report" must be made for the month or partial month during which the transfer of ownership or change in control becomes effective. A concluding report must also be made for the month or partial month during which an importer concludes operations under the permit or authorization.

(26 U.S.C. 5722)

§41.263 Maintenance of records and reports.

All records and reports required by this subpart must be maintained separately, chronologically by transaction or reporting date, at the importer's principal place of business. The appropriate TTB officer may, pursuant to a