(d) the fiduciary if the person is a trust or estate.

(75 Stat. 828; 26 U.S.C. 6109)


§ 40.181 General.

Every manufacturer of tobacco products must keep records of his operations and transactions which shall reflect, for each day, the information specified in §§ 40.182 and 40.183. For this purpose day shall mean calendar day, except that the appropriate TTB officer may, upon application of the manufacturer by letter, in duplicate, authorize as such day for a factory a 24-hour cycle of operation other than the calendar day. A day once so established as other than the calendar day may be changed only by another application approved by the appropriate TTB officer. No specific form is required. The manufacturer may use commercial records from which the required information may be readily ascertained for this purpose. The manufacturer shall keep the auxiliary and supplemental records from which such records are compiled and shall keep supporting records, as specified in §§ 40.184 and 40.186, of tobacco products removed subject to tax and transferred in bond. Except as provided in §§ 40.184 and 40.186, the entries in the commercial records so maintained or kept shall be made not later than the close of the next business day following the day on which the transaction(s) occurred. As used in this section the term business day shall mean any day other than Saturday, Sunday, a legal holiday in the District of Columbia, or a statewide legal holiday in the State wherein the factory to which the records relate is located.

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


§ 40.182 Record of tobacco and processed tobacco.

(a) Except as provided in paragraph (b) of this section, a manufacturer of tobacco products must maintain a record that shows the total quantity in pounds of all:

1. Processed tobacco on hand at the beginning of each month;
2. Processed tobacco received, together with the name and address of the person from whom received and the date of receipt;
3. Processed tobacco used in the manufacture of tobacco products, together with the date of use;
4. Processed tobacco lost, together with the date and other circumstances of the loss;
5. Processed tobacco destroyed, together with the date and other circumstances of the destruction;
6. Processed tobacco removed, together with the date of the removal and reason for the removal; and
7. Tobacco (unprocessed) on hand at the beginning of each month and used in the manufacture of tobacco products, lost, destroyed, or removed during each month.

(b) A manufacturer of tobacco products that is required to obtain authorization to engage in another business within the factory under §§ 40.47(b) and 40.72(b) must keep records as prescribed in § 40.521, in addition to those required elsewhere in this part.

(Approved by the Office of Management and Budget under control number 1513–0068)


§ 40.183 Record of tobacco products.

The record of a manufacturer of tobacco products shall show the date and total quantities of all tobacco products, by kind (small cigars-large cigars; small cigarettes-large cigarettes; chewing tobacco-snuff; pipe tobacco; roll-your-own tobacco):

(a) Manufactured;
(b) Received in bond by—
1. Transfer from other factories,
2. Release from customs custody,
3. Transfer from export warehouses, and
4. Transfer from foreign trade zone;
(c) Received by return to bond;
(d) Disclosed as an overage by inventory;
(e) Removed subject to tax (itemize large cigars by sale price in accordance with § 40.22, except that before April 1, 2009, cigars that cost more than $235.294 may optionally be shown as if the price
§ 40.184 Record of removals subject to tax.

(a) Requirement. Every manufacturer of tobacco products must keep a record of tobacco products removed from the factory subject to tax. The manufacturer must make entries in this record at the time of removal. The record for each removal must show:

1. The date of removal,

2. The name and address of the person to whom shipped or delivered,

3. The kind and quantity of tobacco products removed, and

4. For large cigars, show the sale price (if the sale price is more than $235.294 per thousand before April 1, 2009, or more than $763.222 per thousand on and after April 1, 2009, you may place a note to that effect in the record instead of the actual price).

(b) Exceptions. (1) The record of removal may consist of the manufacturer's commercial documents, such as copies of invoices, rather than records prepared expressly to meet the requirements of this section. If commercial documents are used, they must be kept at the factory, contain all the details required by this section, and be clear and accurate. Commercial documents that do not show specifically the tax classification of tobacco products (including sale price of large cigars) are still acceptable if they contain adequate information for an appropriate TTB officer to readily ascertain the applicable tax.

(2) Where tobacco products are delivered within the factory directly to the consumer, the record need not show the name and address of the consumer.

[Sec. 2128(c), Pub. L. 94–455, 90 Stat. 1921 (26 U.S.C. 5741)]

§ 40.185 Retention of records.

All records required to be kept under this part, including copies of authorizations, claims, inventories, notices, reports, returns and schedules, shall be retained by the manufacturer for three years following the close of the calendar year in which filed or made, or in the case of an authorization, for three years following the close of the calendar year in which the operation under such authorization is concluded.

Such records shall be kept in the factory or a place convenient thereto, and shall be made available for inspection by any appropriate TTB officer upon his request.

[72 Stat. 1423; 26 U.S.C. 5741]

§ 40.186 Record in support of transfers in bond.

Every manufacturer of tobacco products shall keep a supporting record of tobacco products transferred in bond to or received in bond from other factories, and shall make the entries therein at the time of each receipt or removal of such products. Such supporting records shall show the date of