such fiduciary, and make a com-
mencing inventory in accordance with
§ 40.523. However, where a fiduciary in-
tends only to liquidate the business, qualification as a manufacturer of processed tobacco will not be required if such fiduciary promptly files with the appropriate TTB officer a written statement to that effect, in duplicate.

(b) Transfer of ownership. If a transfer in ownership of the business of a manu-
ufacturer of processed tobacco (includ-
ing a change of any member of a part-
nership or association) is to be made, such manufacturer shall give notice, in writing, to the appropriate TTB officer, naming the proposed successor and the desired effective date of the transfer. The proposed successor shall, before commencing operations, qualify as a manufacturer of processed tobacco in accordance with this subpart. The manufacturer shall give notice of the transfer, and the proposed successor shall make application for permit, in ample time for examination and ap-
proval thereof before the desired date of such change. The predecessor shall make a concluding inventory and con-
cluding report, in accordance with §§ 40.523 and 40.522, respectively, and surrender the permit with such inventory and report. If the appli-
cation for a new permit is timely made, the present permit shall continue in ef-
flect pending final action with respect to such application.

§ 40.513 Change in location or address of factory.
Whenever a manufacturer of pro-
cessed tobacco intends to relocate its factory, the manufacturer shall, before commencing operations at the new lo-
cation, make application on TTB F 5200.16 for, and obtain, an amended permit. Whenever any change occurs in the address, but not the location, of the factory of a manufacturer of processed tobacco as a result of action of local authorities, the manufacturer shall, within 30 days of such change, make application on TTB F 5200.16 for an amended permit.

[T.D. TTB–78, 74 FR 29410, June 22, 2009, as
amended by T.D. TTB–80, 74 FR 37552, July 29, 2009]

OPERATIONS BY MANUFACTURERS OF PROCESSED TOBACCO

§ 40.521 Record of tobacco and pro-
cessed tobacco.

(a) Every manufacturer of processed tobacco and every manufacturer of to-
bacco products required to obtain au-
thorization to engage in another busi-
ness within the factory under §§ 40.47(b)
and 40.72(b) of this part must keep re-
cords of operations and transactions that show the total quantity of all:

(1) Processed tobacco on hand at the beginning of each month;
§ 40.522 Reports.

(a) General. Every manufacturer of processed tobacco must prepare a monthly report on TTB F 5250.1 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 in removals of processed tobacco described in paragraph (a)(5) or (a)(6) of this section must also keep records that show the following information about each such removal:

(1) The full name and business address (including city and State) of the purchaser (if there is a purchaser) and the full name and business address of the recipient, or personal address if the purchaser or recipient is not a business;

(2) The full name, business 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 removed from the manufacturer’s premises;

(4) The street address of the destination (not including any in-transit stops) of the processed tobacco; and

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

(b) The entries in the records of removals required under this section must be made for each day by the close of the business day following the day on which the removal occurs. There is no particular format prescribed for the records required under this section (and commercial records may be used) although the required information must be readily ascertainable from the records kept. In the case of a removal under paragraph (a)(5) or (a)(6) of this section that involves shipment by a common carrier, the appropriate TTB officer may approve an alternate method or procedure pursuant to §§ 40.45 or 40.531 through which the manufacturer may keep records regarding the common carrier and its means of tracking (including pick up and delivery) of the shipment in lieu of the information required by paragraphs (b)(2) and (b)(3) of this section.