

which the Federal tax has not been paid, is of the opinion that the sale thereof will not bring a price equal to the tax due and payable thereon, and the expenses incident to the sale thereof, he shall not sell, nor cause to be sold, such articles for consumption in the United States. Where the articles are not sold, the officer may deliver them to a Federal or State hospital or institution (if they are fit for consumption) or cause their destruction by burning completely or by rendering them unfit for consumption. Where such articles are sold, they shall not be released by the officer having custody thereof until they are properly packaged and taxpaid, which tax shall be considered as a portion of the sales price. Except where the tax is to be paid to the Port Directors of Customs or other authorized customs officer in accordance with Customs regulations (19 CFR part 127) on sales of articles by customs officers, the payment of tax on such articles must be evidenced by presentation, to the officer having custody of the articles, of a receipt from the appropriate ATF officer showing such payment. In the case of such articles held by or for the Federal Government, the sale thereof shall be subject to the applicable provisions of the Regulations of the General Services Administration, Title 1, Personal Property Management.

(68A Stat. 872, 903; 26 U.S.C. 7342, 7606)

[T.D. 6871, 31 FR 40, Jan. 4, 1966. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-232, 51 FR 28084, Aug. 5, 1986; T.D. ATF-243, 51 FR 43194, Dec. 1, 1986; T.D. ATF-422, 64 FR 71948, Dec. 22, 1999]

**§ 275.26 Alternate methods or procedures.**

An importer, on specific approval by the Director as provided in this section, may use an alternate method or procedure in lieu of a method or procedure specifically prescribed in this part. The Director may approve an alternate method or procedure, subject to stated conditions, when he finds that—

- (a) Good cause has been shown for the use of the alternate method or procedure,
- (b) The alternate method or procedure is within the purpose of, and con-

sistent with the effect intended by, the specifically prescribed method or procedure, and affords equivalent security to the revenue, and

(c) The alternate method of procedure will not be contrary to any provision of law, and will not result in an increase in cost to the Government or hinder the effective administration of this part.

No alternate method or procedure relating to the giving of any bond or to the assessment, payment, or collection of tax, shall be authorized under this section. When an importer desires to employ an alternate method or procedure, he shall submit a written application to do so, in triplicate, to the regional director (compliance) for transmittal to the Director. The application shall specifically describe the proposed alternate method or procedure, and shall set forth the reasons therefor. Alternate methods or procedures shall not be employed until the application has been approved by the Director. The importer shall, during the period of authorization of an alternate method or procedure, comply with the terms of the approved application. Authorization for any alternate method or procedure may be withdrawn whenever in the judgment of the Director the revenue is jeopardized or the effective administration of this part is hindered. The importer shall retain, as part of his records, any authorization of the Director under this section.

[26 FR 8190, Aug. 31, 1961. Redesignated at 40 FR 16835, Apr. 15, 1975]

**§ 275.27 Emergency variations from requirements.**

The Director may approve methods of operation other than as specified in this part, where he finds that an emergency exists and the proposed variations from the specified requirements are necessary, and the proposed variations—

- (a) Will afford the security and protection to the revenue intended by the prescribed specifications,
- (b) Will not hinder the effective administration of this part, and
- (c) Will not be contrary to any provision of law.

Variations from requirements granted under this section are conditioned on

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compliance with the procedures, conditions, and limitations set forth in the approval of the application. Failure to comply in good faith and with such procedures, conditions, and limitations shall automatically terminate the authority for such variations and the importer thereupon shall fully comply with the prescribed requirements of regulations from which the variations were authorized. Authority for any variations may be withdrawn whenever in the judgment of the Director the revenue is jeopardized or the effective administration of this part is hindered by the continuation of such variation. Where an importer desires to employ such variation, he shall submit a written application to do so, in triplicate, to the regional director (compliance) for transmittal to the Director. The application shall describe the proposed variations and set forth the reasons therefor. Variations shall not be employed until the application has been approved. The importer shall retain, as part of his records, any authorization of the Director under this section.

[26 FR 8190, Aug. 31, 1961. Redesignated at 40 FR 16835, Apr. 15, 1975]

**§ 275.28 Penalties and forfeitures.**

Anyone who fails to comply with the provisions of this part becomes liable

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to the civil and criminal penalties, and forfeitures, provided by law.

(72 Stat. 1425, 1426; 26 U.S.C. 5761, 5762, 5763)

[26 FR 8190, Aug. 31, 1961. Redesignated at 40 FR 16835, Apr. 15, 1975]

**§ 275.29 Delegations of the Director.**

The Director has general authority to take action on all matters under the regulations in this part 275. Some of the authorities in this part are redelegated to “appropriate ATF officers”. The title of the appropriate ATF officer for each delegation is listed by section in ATF Order 1130.16A, Delegation Order—Delegation of Certain of the Director’s Authorities in 27 CFR parts 270, 275, and 296. ATF delegation orders, such as ATF Order 1130.16A, are available from the ATF Distribution Center, PO Box 5950, Springfield, Virginia 22150-5190, or from the ATF web site (<http://www.atf.treas.gov>).

[T.D. ATF-420, 64 FR 71942, Dec. 22, 1999, as amended by T.D. ATF-444, 66 FR 13850, Mar. 8, 2001]

**Subpart D—Taxes**

**TAX RATES**

**§ 275.30 Pipe tobacco and roll-your-own tobacco.**

Pipe tobacco and roll-your-own tobacco are taxed at the following rates under 26 U.S.C. 5701(f) and (g), respectively:

Product	Tax rate per pound <sup>1</sup> for removals during the years		
	1993 to 1999	2000 and 2001	2002 and after
Pipe tobacco .....	\$0.675	\$0.9567	\$1.0969
Roll-your-own tobacco .....	No tax	0.9567	1.0969

<sup>1</sup> Prorate tax for fractions of a pound.

[T.D. ATF-420, 64 FR 71942, Dec. 22, 1999]

**§ 275.31 Cigar tax rates.**

(a) Cigars are taxed at the following rates under 26 U.S.C. 5701(a):

Product	Tax rate for removals during the years		
	1993 to 1999	2000 and 2001	2002 and after
Small cigars (per thousand) .....	\$1.125	\$1.594	\$1.828
Large cigars <sup>1</sup> percentage of sale price .....	12.75%	18.063%	20.719%