

rules set forth in 26 U.S.C. 4216(b) and the implementing regulations in 26 CFR 48.4216(b)-1 through 48.4216(b)-4 shall be applied for purposes of determining the price for which large cigars are sold.

(e) *Readjustments in sale price.* Anticipated downward readjustments in sale price are not taken into account in computing the tax. The tax must be based upon the original price for which the cigars were sold unless the readjustments have actually been made prior to the close of the period for which the tax return is filed. However, if the price upon which the tax was computed is subsequently readjusted, credit may be taken against the tax due on a subsequent return of a claim for refund filed as provided in § 270.286.

[T.D. ATF-307, 55 FR 52742, Dec. 21, 1990]

#### § 270.23 Cigarette tax rates.

On cigarettes, manufactured in or imported into the United States, the following taxes are imposed by law:

(a) *Cigarettes removed before January 1, 1991*—(1) *Small cigarettes.* \$8 per thousand.

(2) *Large cigarettes.* \$16.80 per thousand.

(b) *Cigarettes removed on or after January 1, 1991 and before January 1, 1993*—(1) *Small cigarettes.* \$10 per thousand.

(2) *Large cigarettes.* \$21 per thousand.

(c) *Cigarettes removed on or after January 1, 1993*—(1) *Small cigarettes.* \$12 per thousand.

(2) *Large cigarettes.* \$25.20 per thousand.

(d) *Special rule for large cigarettes.* If large cigarettes are more than 6½ inches in length, the rate of tax is the rate prescribed for small cigarettes, counting each 2¾ inches or fraction thereof of the length of each as one cigarette.

[T.D. ATF-307, 55 FR 52742, Dec. 21, 1990]

#### § 270.24 Classification of cigarettes.

For tax purposes, small cigarettes are designated Class A and large cigarettes are designated Class B.

(72 Stat. 1414; 26 U.S.C. 5701)

#### § 270.25 Smokeless tobacco tax rates.

On smokeless tobacco, manufactured in or imported into the United States, the following taxes are imposed by law:

(a) *Snuff.* (1) Snuff removed before January 1, 1991, 24 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

(2) Snuff removed on or after January 1, 1991 and before January 1, 1993, 30 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

(3) Snuff removed on or after January 1, 1993, 36 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

(b) *Chewing tobacco.* (1) Chewing tobacco removed before January 1, 1991, 8 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

(2) Chewing tobacco removed on or after January 1, 1991 and before January 1, 1993, 10 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

(3) Chewing tobacco removed on or after January 1, 1993, 12 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

[T.D. ATF-307, 55 FR 52742, Dec. 21, 1990]

#### § 270.25a Pipe tobacco tax rates.

On pipe tobacco manufactured in or imported into the United States, the following taxes are imposed by law:

(a) Pipe tobacco removed before January 1, 1991, 45 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

(b) Pipe tobacco removed on or after January 1, 1991 and before January 1, 1993, 56.25 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

(c) Pipe tobacco removed on or after January 1, 1993, 67.5 cents per pound and a proportionate tax at the like rate on fractional parts of a pound.

[T.D. ATF-307, 55 FR 52743, Dec. 21, 1990]

#### § 270.26 Persons liable for tax.

The manufacturer of tobacco products shall be liable for the taxes imposed on tobacco products by 26 U.S.C. 5701: *Provided*, That when tobacco products are transferred in bond pursuant