

copy of ATF Form 3075 (5200.9) to the taxpayer for attachment to the bill of lading to accompany the shipment (in custody of the carrier) for presentation to the district director of customs at the port of entry; promptly mail two copies to the district director of customs at the port of entry; mail one copy to the regional director (compliance) of the region wherein the customs collection headquarters is located; and retain the remaining copy. The ATF officer, will then prepare for each shipping container, a statement on ATF Form 3074 (5200.6) that the tax has been prepaid, and show the other information required by that form. The shipper shall affix the completed ATF Form 3074 (5200.6) to the outside of each shipping container in which the articles are packed. Such statement, ATF Form 3074 (5200.6), shall be affixed to the outside container used in the shipment of freight in bulk (crate, packingbox, van, trailer, etc.) and not on the individual cartons, cases, etc., included in such outer container. Non-commercial mail shipments of tobacco products and cigarette papers and tubes to the United States are exempt from the provisions of this section, except that the ATF officer in Puerto Rico receiving a payment of internal revenue tax on mail shipments of such articles will prepare a certificate to be affixed to the container stating that the United States internal revenue tax has been prepaid on the articles contained therein.

[T.D. ATF-277, 53 FR 45269 Nov. 9, 1988]

§ 275.107 Procedure at port of entry.

The district director of customs at the port of entry will inspect the shipment to determine whether the quantity specified on the Form 3075 is contained in the shipment. He will then execute his certificate on the three copies of the Form 3075 in his possession, and indicate on each copy any exceptions found at the time of release. The statement of exceptions shall identify each shipping container which sustained a loss; the tobacco products and cigarette papers and tubes reported shipped in such container; and the tobacco products and cigarette papers and tubes lost from such container. Losses occurring as the result of miss-

ing packages, cases, or shipping containers shall be listed separately from losses caused by damage. Where the statement is made on the basis of tobacco products or cigarette papers or tubes missing or damaged, the district director of customs shall show (a) the numbers of small cigarettes, large cigarettes, and small cigars, (b) the number and total wholesale price of large cigars with a wholesale price of not more than \$235.294 per thousand, (c) the number of large cigars with a wholesale price of more than \$235.294 per thousand, (d) the number of books or sets of cigarette papers of each different numerical content, (e) the number of cigarette tubes, (f) the pounds and ounces of chewing tobacco and snuff, and (g) the pounds and ounces of pipe tobacco.

If the district director of customs finds that the full amount of the tax has not been prepaid, he will require the difference due to be paid to him prior to release of the tobacco products and cigarette papers and tubes. When the inspection of the shipment has been effected, and any additional tax found to be due has been paid to the district director of customs, the shipment may be released.

[T.D. ATF-40, 42 FR 5005, Jan. 26, 1977, as amended by T.D. ATF-232, 51 FR 28085, Aug. 5, 1986; T.D. ATF-243, 51 FR 43194, Dec. 1, 1986; T.D. ATF-289, 54 FR 48841, Nov. 27, 1989]

§ 275.108 Disposition of forms by district director of customs.

One copy of the Form 3075 will be forwarded to the Chief, Puerto Rico Operations, one copy will be furnished the consignee, and one copy of this form will be retained by the district director of customs.

[26 FR 8194, Aug. 31, 1961. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-251, 52 FR 19340, May 22, 1987]

DEFERRED PAYMENT OF TAX IN PUERTO RICO ON TOBACCO PRODUCTS

§ 275.109 Bond required for deferred taxpayment.

Where a manufacturer of tobacco products in Puerto Rico desires to defer payment in Puerto Rico of the internal revenue tax imposed by 26 U.S.C. 7652(a), on tobacco products of Puerto

Rican manufacture coming into the United States, he shall file a bond, Form 2986, with the regional director (compliance), in accordance with the provisions of this subpart. Such bond shall be conditioned on the payment, at the time and in the manner prescribed in this subpart, of the full amount of tax computed under the provisions of this subpart with respect to tobacco products which are released for shipment to the United States on computation of tax. All taxes which are computed under the provisions of this subpart shall be chargeable against the bond, until such taxes are paid, as provided in § 275.112. The bond shall show the location of the factory from which the tobacco products to which it relates are to be shipped.

[T.D. 6871, 31 FR 43, Jan. 4, 1966. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-48, 44 FR 55855, Sept. 28, 1979; T.D. ATF-232, 51 FR 28085, Aug. 5, 1986; T.D. ATF-243, 51 FR 43194, Dec. 1, 1986; T.D. ATF-251, 52 FR 19340, May 22, 1987]

§ 275.110 Computation of tax and execution of agreement to pay tax.

Where tobacco products are to be shipped to the United States on computation of internal revenue tax in Puerto Rico (involving deferred taxpayment), the bonded manufacturer shall calculate the tax and shall prepare an original and five copies of Form 2987 (5210.8). He shall enter on such form under the penalties of perjury (a) the numbers of small cigarettes, large cigarettes, and small cigars to be shipped, (b) the number and total wholesale price or sale price, as applicable, of large cigars with a price of not more than \$235.294 per thousand to be shipped; (c) the number of large cigars with a wholesale price or sale price, as applicable, of more than \$235.294 per thousand to be shipped, (d) the pounds and ounces of chewing tobacco or snuff to be shipped, (e) the pounds and ounces of pipe tobacco to be shipped, (f) the amount of the tax to be paid on such products under the provisions of this subpart, and (g) the name and address of the consignee in the United States to whom such products are being shipped; and shall date and execute the agreement to pay the amount of tax which shall be computed

on such products covered by the Form 2987. The Form 2987 shall be serially numbered by the bonded manufacturer beginning with the number "1" on January 1 of each year. The bonded manufacturer shall then request the Chief, Puerto Rico Operations, to assign an ATF officer to inspect the tobacco products, verify the tax calculation with respect to such products, and release such products for shipment in accordance with § 275.111. The bonded manufacturer shall present all copies of the prepared Form 2987 to the ATF officer assigned. The date of certification of Form 2987 by the ATF officer shall be treated as the date of computation of tax. Tobacco products may be released for shipment to the United States in accordance with the provisions of this section only after computation of tax.

[T.D. ATF-40, 42 FR 5006, Jan. 26, 1977, as amended by T.D. ATF-232, 51 FR 28086, Aug. 5, 1986; T.D. ATF-243, 51 FR 43194, Dec. 1, 1986; T.D. ATF-251, 52 FR 19340, May 22, 1987; T.D. ATF-289, 54 FR 48841, Nov. 27, 1989; T.D. ATF-307, 55 FR 52744, Dec. 21, 1990]

§ 275.111 Inspection of shipment and certification by ATF officer.

On receipt of the original and five copies of the Form 2987 (5210.8) completed and executed by the bonded manufacturer in accordance with § 275.110, an ATF officer will inspect the tobacco products covered by the form, verify the tax calculation made with respect to such products, date and execute the certification on such form, and release the tobacco products for shipment to the United States. Such officer will then promptly distribute the certified Form 2987 by (a) mailing two copies to the district director of customs at the port of entry; (b) mailing one copy to the regional director (compliance) of the region wherein the customs collection headquarters is located; (c) returning two copies to the bonded manufacturer who will attach one copy to the bill of lading to accompany the shipment (in custody of the carrier) for presentation to the district director of customs at the port of entry; and (d) submitting the original to the Chief, Puerto Rico Operations. The ATF officer will also prepare, for each shipping container, a statement