

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
TOBACCO BOND - COLLATERAL

GENERAL INSTRUCTIONS

A. When must I complete and file this bond? The provisions of 26 U.S.C. Chapter 52 require a bond for persons who conduct business as a manufacturer of tobacco products, proprietor of an export warehouse, or manufacturer of cigarette papers and tubes. This form shows that you have deposited government obligations of the United States and are responsible for the terms and conditions of this bond. As an alternative, you may use a corporate surety for such bond. See TTB F 5200.26, Tobacco Bond – Surety.

B. Where can I get assistance for this form? Contact a specialist at the National Revenue Center by phone at 1-877-882-3277 or 1-513-684-7150, by fax at 1-513-684-2265, or send an e-mail to ttbtobacco@ttb.treas.gov or ttbquestions@ttb.treas.gov. Please visit our Web site at <http://www.ttb.gov/tobacco/index.shtml> for additional information.

C. How do I make corrections to the bond if I make a mistake? If you make any alteration or erasure to this bond, you must initial and date the correction.

D. May I submit this bond on more than one sheet? We prefer that you submit this bond on a single sheet. However, if you are unable, put your employer identification number and the TTB permit number on any additional sheets.

E. Must I submit two copies and must each copy have original signatures? You must submit two identical copies of this bond and all individuals required to sign the bonds must sign it in ink. If we approve the bonds, we will keep one copy and return the other copy to you for your records.

F. Where do I send this bond? Send both signed copies of the bond and necessary attachments to:

TTB National Revenue Center
 550 Main Street
 Suite 8002
 Cincinnati, OH 45202

STEP BY STEP INSTRUCTIONS**Item 1: What is my business's legal name?**

If your business is a:	Your legal name is:
Sole proprietor	Your full name
Partnership	The name of each partner, or the name of the partnership as filed with the State or local government
Corporation, Association, Limited Liability Company, or other business	The name as stated on your documents filed with the State or local government

Item 2: What is an Employer Identification Number (EIN)? This is the nine-digit number that the Internal Revenue Service assigns to your business. If you do not have an EIN, you must obtain one from the Internal Revenue Service (IRS). Use an IRS Form SS-4 and follow instructions on the form to apply for an EIN.

Item 3: What is my premises address? This is the address where your factory(ies) is located.

Item 4: What type of business do I operate? Check the box next to the description that corresponds to your type of operation.

Item 5: What is my TTB permit number for this business? DO NOT complete this item if you do not know the TTB permit number assigned to your business as a manufacturer of tobacco products, export warehouse proprietor, or manufacturer of cigarette papers and tubes. Only a manufacturer of tobacco products who has more than one factory may enter more than one TTB permit number.

Item 6: How do I determine the bond amount?

Bond for:	Dollar (\$) amount:
One factory of a manufacturer of tobacco products	During any calendar month, the bond must equal the total amount of tax liability on all tobacco products manufactured in the factory, received in bond from other factories and from export warehouses, and released to the factory in bond from customs custody. Minimum: \$1,000. Maximum: \$250,000 when manufacturing and/or receiving in bond <ul style="list-style-type: none"> • Cigarettes, or • Any combination of tobacco products. Maximum: \$150,000 when manufacturing and/or receiving in bond only one type of tobacco product with the exception of cigarettes.

Bond for:	Dollar (\$) amount:
More than one factory of a manufacturer of tobacco products (blanket bond)	1) Determine amount for each factory as described above, AND 2) If the total amount for all the factories is: <ul style="list-style-type: none"> • \$250,000 or less, then the total amount of the bond will be total for all the factories. • More than \$250,000 but not more than \$500,000, then \$250,000 plus 50 percent of the total amount exceeding \$250,000. • More than \$500,000, then \$375,000 plus 25 percent of the total amount exceeding \$500,000.
Proprietor of export warehouse	Minimum: \$1,000 Maximum: \$200,000 Estimated amount of tax that at any time may constitute a charge against the bond. Include the amount of tax on tobacco products and cigarette papers and tubes at your export warehouse. Also, include the amount of tax on tobacco products and cigarette papers and tubes for which satisfactory evidence of exportation has not been received by TTB.
Manufacturer of cigarette papers and tubes	Minimum: \$1,000 Maximum: \$20,000 Bond must equal or exceed the maximum tax liability for the total amount of cigarette papers and tubes manufactured and received in bond during any calendar month.

Item 7: What date do I use on this form? If this is your **original** bond, this is the date on or before you begin operating your business. You must have an approved bond before you can operate. You may not operate before this date.

If this is a **strengthening** bond, this is the date the coverage is effective.

If this is a **superseding** bond, this date should be on or before the date your current bond is terminated.

Item 8: What type of collateral may I submit? Cash in the form of a certified check, United States postal money order, Treasury Notes, or Treasury Bonds. The maturity date for the notes and bonds must be two years or more.

Item 8d: Where do I get a CUSIP number? If your collateral is with a Federal Reserve Bank, the Federal Reserve Bank provides the CUSIP number and other information. The CUSIP number will be listed as a description on the document you receive from the bank or broker from whom your Treasury Note or Bond was purchased.

Item 9: What does my bond cover? If you only have one location select an individual bond. A blanket bond only may be filed by a manufacturer of tobacco products who has more than one factory, with an assigned permit number covered by the bond.

Item 10: What type of bond do I file?

- You file an **original** bond when you start or acquire a business to operate a tobacco products or cigarette papers and tubes factory, or an export warehouse.
- You file a **strengthening** bond to add more coverage to your existing bond.
- You file a **superseding** bond to replace your previous bond(s) or to change the collateral filed with your bond.

Item 11: What date do I use on this form? You use the date you sign this form.

11a: How do I sign this bond?

If your business is a:	Signature:
Sole proprietorship	a. Your full name; OR b. An individual for whom you have filed TTB F 5000.8, Power of Attorney, that grants the authority to sign this bond.
Partnership	a. Each partner; OR b. The partner who has been given the authority to sign by the Articles of Partnership or similar agreement of all partners that has been filed with the application for an TTB permit; OR c. An individual for whom TTB F 5000.8, Power of Attorney, has been filed, that grants the authority to sign this bond.
Corporation, association, limited liability company, or other business	a. An officer who has been given the authority to sign by the business documents that you have filed with your TTB application for a TTB permit; OR b. An individual for whom you have filed TTB F 5000.8, Power of Attorney, that grants the authority to sign this bond.

11a: Do I need to print my name and title? Yes, the person who signs the form must print their name and title underneath their signature.

11b: Do I need a seal? If your business is a corporation, association, or other business, you may have a seal. A seal is adopted and used by a business for authenticating its corporate acts and executing legal instruments. If your business has a seal, affix it on the form in the area below **Item 11b**.

If your business has no seal, check the box in **Item 11b** and have two witnesses sign and testify to the fact that you signed the bond in their presence. Each witness must print their name in addition to signing their name.

11c: When do I need two witnesses and what must they do? If your business has no seal, the witnesses must sign and testify to the fact that you signed the bond in their presence. Each witness must print his/her name in addition to signing his/her name.

Paperwork Reduction Act Notice

This request is in accordance with The Paperwork Reduction Act of 1995. We use this information to determine whether you are qualified to operate as a manufacturer of tobacco products, export warehouse proprietor, or manufacturer of cigarette papers and tubes. We must identify you as the manufacturer or proprietor and the penal sum of the bond. The information we request is required for you to obtain a benefit and is mandatory by law (26 U.S.C. 5711).

We estimate the average burden associated with this collection to be 1 hour and 40 minutes per manufacturer or proprietor, depending on individual circumstances. Address your comments concerning the accuracy of this burden estimate and suggestions to reduce this burden to: Reports Management Officer, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, DC 20220.

An agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a current, valid OMB control number.

Privacy Act Information

We provide this information to comply with Section 3 of the Privacy Act of 1974 (5 U.S.C. 552a(e)(3)):

- 1. What is TTB's authority to ask for this information?** We require this information under the authority of 26 U.S.C. 5711. You must disclose this information to obtain authority to conduct manufacturing or export warehousing operations.
- 2. What is the purpose for this information collection?** You provide this information to give us a bond for your compliance with requirements to operate a factory or warehouse and to identify your collateral for a manufacturer of tobacco product's, an export warehouse proprietor's, or a manufacturer of cigarette papers and tubes' bond.
- 3. How does TTB routinely use this information?** We use this information to make determinations for the purposes described in paragraph 2. Also, we may disclose the information to other Federal, State, foreign, and local law enforcement and regulatory agency personnel to verify information on the form where such disclosure is not prohibited by law. We may disclose the information to the Justice Department if it appears that the furnishing of false information may constitute a violation of Federal law. Finally, we may disclose the information to members of the public in order to verify information on the form where such disclosure is not prohibited by law.
- 4. What is the effect of my not supplying the information TTB requests?** If you fail to supply complete information, then we will delay processing and may disapprove your bond and pending application(s).

**DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
TOBACCO BOND - COLLATERAL**

(Please read instructions carefully.)

1. My business's legal name is: _____	2. My Employer Identification Number (EIN) is: <table style="width:100%; border: none;"> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: none; text-align: center;">-</td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> </tr> </table>			-							
		-									
3. My premises address is: _____	4. My business for this bond is <i>(check one box only)</i> : <input type="checkbox"/> Manufacturer of Tobacco Products <input type="checkbox"/> Export Warehouse Proprietor <input type="checkbox"/> Manufacturer of Cigarette Papers and Tubes										
5. My TTB permit number is: _____	6. The amount of this bond: \$ _____										
7. The effective date of this bond is: _____											

8. The collateral *(read instructions)* for this bond is *(check one box only)*:
 Cash [*certified check or money order*] (*Proceed to Item 9*)
 Treasury Note(s) or Bond(s) with (*Complete 8a, 8b, 8c & 8d*)

8a. Maturity Date: _____ 8c. Interest Rate: _____
8b. Par Value: _____ 8d. CUSIP No.: _____

9. This bond is <i>(check one box only)</i> : <input type="checkbox"/> An individual bond <input type="checkbox"/> A blanket bond (<i>Manufacturer of Tobacco Products Only</i>)	10. This bond is <i>(check one box only)</i> : <input type="checkbox"/> Original <input type="checkbox"/> Strengthening <input type="checkbox"/> Superseding
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11. I(We) agree to all terms and conditions of the bond as listed on page 2 of this form *(read statements on this form)*.

I(We) witness our hands and seals this _____ day of _____, _____.

Signed, sealed, and delivered in the presence of –

11a. Signature for my business: _____ 11b. No Business Seal (*Check box and complete 11c.*):
Printed Name and Title: _____

(Affix Seal)

11c. Witnesses:

Signature 1:	Signature 2:
Printed Name 1:	Printed Name 2:

FOR TTB USE ONLY

12. On behalf of the United States of America, I approve and accept this bond.

12a. _____ 12b. _____
Authorized TTB Officer's Signature and Title **Date Approved**

Terms And Conditions Of This Bond

- 1.** I have identified the premises in item 3 of this bond where I am engaged, or intend to engage, in a business as a manufacturer or export warehouse proprietor. As a manufacturer of tobacco products, export warehouse proprietor, or manufacturer of cigarette papers and tubes, I promise to pay the amount of this bond in lawful money of the United States to the United States of America. This bond firmly binds me individually, my heirs, executors, administrators, successors, and assigns.
- 2. Effectiveness of this bond:** This bond is effective only if TTB agrees to accept this bond and is effective without notice to me. The effective date of this bond is the date stated in item 7 of this bond; however, if no date is listed in item 7, the date of execution in item 11 will be the effective date.
- 3. Liability:** Until I pay the taxes, including penalties and interest, for which I become liable to the United States under Chapter 52 or Section 7652 of Title 26 of the United States Code and promulgating regulations, this bond remains in full force and effect for the business identified in items 1 through 5 of this form. Furthermore, I agree that an installment agreement to pay such taxes between the United States and myself does not affect the United States' ability to pursue remedies against me under this bond.
- 4. Compliance:** If I do not comply faithfully in all respects with such laws and regulations identified in the above paragraph, this bond remains in full force and effect for the business identified in items 1 through 5 of this form.
- 5. Changes while bond is in effect:** As a manufacturer of tobacco products or an export warehouse proprietor, I agree that this bond extends and applies to any change that requires me to file an application for a new or amended permit. As a manufacturer of cigarette papers and tubes, I agree that this bond extends and applies to any change which would require me to file an extension of coverage of bond, which would include a change in the location of my factory.
- 6. United States action:** If I breach any condition of this bond, the United States may pursue remedies against the collateral of the bond. I waive any right or privilege that the United States must first start an action or otherwise exhaust its remedies against me before moving against the collateral.
- 7. No interest:** If I deposit cash as the collateral for this bond, I will not receive any interest on that cash.
- 8. Authorization:** TTB may use this bond's collateral to satisfy any of my liabilities under this bond. This authorization is irrevocable.
- 9. Release of collateral:** TTB will release my collateral when all liability under the bond is satisfied.

Complete if your bond is submitted on two separate pages:

My business's legal name in item 1 is: _____

My TTB Permit Number in item 5 is: _____

My Employer Identification Number (EIN) is: _____

The Execution Date in item 11 of this bond is: _____