

§ 44.245

may at any time constitute a charge against the bond: *Provided*, That the amount of any such bond (or the total amount where original and strengthening bonds are filed) shall not exceed \$25,000 nor be less than \$1,000. The charges against such bond shall be subject to increase as withdrawals are made and decrease as required evidence of exportation is received by the appropriate ATF officer with respect to cigars withdrawn. When the limit of liability under a bond given in less than the maximum amount has been reached, further withdrawals shall not be made thereunder until a strengthening or superseding bond is filed as required by § 44.245 or § 44.246.

§ 44.245 Strengthening bond.

Where the appropriate ATF officer determines that the amount of the bond, under which the customs warehouse proprietor is withdrawing cigars for shipment under this subpart, no longer adequately protects the revenue, and such bond is in an amount of less than \$25,000, the appropriate ATF officer may require the proprietor to file a strengthening bond in an appropriate amount with the same surety as that on the bond already in effect, in lieu of a superseding bond to cover the full liability on the basis of § 44.244. The appropriate ATF officer shall refuse to approve any strengthening bond where any notation is made thereon which is intended or which may be construed as a release of any former bond, or as limiting the amount of either bond to less than its full amount.

§ 44.246 Superseding bond.

The customs warehouse proprietor shall file a new bond to supersede his current bond, immediately when (a) the corporate surety on the current bond becomes insolvent, (b) the appropriate ATF officer approves a request from the surety on the current bond to terminate his liability under the bond, (c) payment of any liability under a bond is made by the surety thereon, or (d) the appropriate ATF officer considers such a superseding bond necessary for the protection of the revenue.

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§ 44.247 Termination of liability of surety under bond.

The liability of a surety on any bond required by this subpart shall be terminated only as to operations on and after the effective date of a superseding bond, or the date of approval of the customs warehouse proprietor's request for termination, or otherwise, in accordance with the termination provisions of the bond. The surety shall remain bound in respect of any liability for unpaid taxes, penalties, and interest, not in excess of the amount of the bond, incurred by the proprietor while the bond is in force.

PACKAGING REQUIREMENTS

§ 44.248 Packages.

Cigars shall, before withdrawal under this part, be put up by the customs warehouse proprietor in packages which shall bear the label or notice, tax classification, and mark, as required by this subpart.

(Sec. 202, Pub. L. 85-859, 72 Stat. 1422 (26 U.S.C. 5723))

[T.D. ATF-40, 42 FR 5009, Jan. 26, 1977]

§ 44.249 Lottery features.

No certificate, coupon, or other device purporting to be or to represent a ticket, chance, share, or an interest in, or dependent on, the event of a lottery shall be contained in, attached to, or stamped, marked, written, or printed on any package of cigars withdrawn under this subpart.

(72 Stat. 1422; 26 U.S.C. 5723; 18 U.S.C. 1301)

§ 44.250 Indecent or immoral material.

No indecent or immoral picture, print, or representation shall be contained in, attached to, or stamped, marked, written, or printed on any package of cigars withdrawn under this subpart.

(72 Stat. 1422; 26 U.S.C. 5723)

§ 44.251 Mark.

Every package of cigars shall, before withdrawal from the customs warehouse under this subpart, have adequately imprinted thereon, or on a label securely affixed thereto, the

name and location of the manufacturer. There shall also be adequately stated on each such package the number of cigars contained in the package.

(72 Stat. 1422; 26 U.S.C. 5723)

§ 44.252 Label or notice.

Every package of cigars shall, before withdrawal from the customs warehouse under this subpart, have adequately imprinted thereon, or on a label securely affixed the words "Tax-exempt. For use outside U.S." or the words "U.S. Tax-exempt. For use outside U.S.", except where a stamp, sticker, or notice, required by a foreign country or a possession of the United States, which identifies such country or possession, is so imprinted or affixed.

(72 Stat. 1422; 26 U.S.C. 5723)

§ 44.253 Tax classification for cigars.

Before withdrawal of cigars from a customs warehouse under this subpart, every package of cigars shall have adequately imprinted on it, or on a label securely affixed to it—

- (a) The designation "cigars";
- (b) The quantity of cigars contained in the package; and
- (c) For small cigars, the classification of the product for tax purposes (i.e., either "small" or "little").

(Sec. 202, Pub. L. 85-859, 72 Stat. 1422 (26 U.S.C. 5723))

[T.D. ATF-80, 46 FR 18312, Mar. 24, 1981]

§ 44.254 Shipping containers.

Each shipping case, crate, or other container, in which cigars are to be withdrawn, under this subpart, shall bear a distinguishing number, such number to be assigned by the customs warehouse proprietor.

CONSIGNMENT OF SHIPMENT

§ 44.255 Consignment of cigars.

Cigars withdrawn from a customs warehouse, without payment of tax, under internal revenue bond and this part, shall be consigned in the same manner as provided by subpart J of this part with respect to the removal of tobacco products, and cigarette papers

and tubes from a factory or an export warehouse.

[T.D. 6871, 31 FR 56, Jan. 4, 1966. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-232, 51 FR 28089, Aug. 5, 1986; T.D. ATF-243, 51 FR 43194, Dec. 1, 1986]

NOTICE OF REMOVAL OF SHIPMENT

§ 44.256 Preparation.

For each shipment to be withdrawn under this subpart, the customs warehouse proprietor shall prepare a notice of removal, Form 5200.14. Each such notice shall be given a serial number by the proprietor in a series beginning with number 1, with respect to the first shipment withdrawn under this subpart and commencing again with number 1 on January 1 of each year thereafter.

[25 FR 4725, May 28, 1960. Redesignated at 40 FR 16835, Apr. 15, 1975, as amended by T.D. ATF-421, 64 FR 71926, Dec. 22, 1999]

§ 44.257 Disposition.

After actual withdrawal from his warehouse of the shipment described on the notice of removal, Form 5200.14, the customs warehouse proprietor shall, except where the shipment is to be exported by parcel post, promptly forward one copy of the notice of removal to the appropriate ATF officer. A copy of each such notice shall be retained by the customs warehouse proprietor as a part of his records, for 3 years following the close of the calendar year in which the shipment was withdrawn, and shall be made available for inspection by any appropriate ATF officer upon his request. The proprietor shall dispose of the other copies of each notice of removal as required by this subpart.

[25 FR 4725, May 28, 1960. Redesignated at 40 FR 16835, Apr. 15, 1975, as amended by T.D. ATF-421, 64 FR 71926, Dec. 22, 1999; T.D. ATF-480, 67 FR 30803, May 8, 2002]

§ 44.258 To officers of the armed forces for subsequent exportation.

Where cigars are withdrawn from a customs warehouse for delivery to officers of the armed forces of the United States in this country for subsequent shipment to, and use by, the armed forces outside the United States, the customs warehouse proprietor making