

Each Federal Explosives Permittee or Limited Permittee Must:

Maintain all records of receipt or disposition of surplus stock—whether temporary or permanent—in permanent form (e.g., commercial invoices, record books) on the business premises for 5 years from the transaction date or until the discontinuance of business or operations. When going out of business, send records to ATF Out-of-Business Records Center.

Commercial Records (555.125(b)(5))

If keeping a record book as a permanent record, permittees may delay entry of the required information for no more than 7 days. Commercial records may be used instead of a record book as a permanent record ONLY if they contain all the required information.

Annual Inventory

Permittee (555.125(b)(1))

Take an annual physical inventory of all explosive materials on hand and a special inventory:

- When commencing business, (the explosives permit effective date);
- When changing the business location to another region;
- When discontinuing business; and
- At any time ATF may require such in writing.

If no special inventory is taken during the calendar year, at least one physical inventory is required. If the inventory does not match the DSMT, a full inventory and reconciliation of any discrepancies is strongly encouraged.

Limited Permittee (555.125(b)(2))

Take an annual physical inventory of all explosive materials on hand. If the inventory does not match the DSMT, a full inventory and reconciliation of any discrepancies is strongly encouraged.

Explosive Material Acquisition (555.125(b)(3))

No later than close of the next business day following the date of acquisition, enter in a separate record:

- Date of acquisition;
- Name or brand name of manufacturer;
- Manufacturer's marks of identification;
- Quantity (in applicable units);
- Description and size (length and diameter or diameter only of display fireworks); and
- Name, address & license number of persons from whom materials were received.

Explosive Material Distribution (555.125(b)(4))

No later than close of the next business day following the date of distribution of surplus explosive materials to a permittee or licensee, enter in a separate record:

- Date of disposition;
- Name or brand name of manufacturer and name of importer, if any;
- Manufacturer's marks of identification;
- Quantity (in applicable units);

- Description and size; and
- License or permit number of distributee.

Limited Permittee Transaction Report, ATF F 5400.4 (555.126(b))

Before distributing explosive materials to a limited permittee (LP), obtain an executed ATF Form 5400.4 from the LP with an original unaltered and unexpired Intrastate Purchase of Explosives Coupon (IPEC) affixed. Note on the 5400.4:

- Date of transaction;
- ID type presented by LP (except delivery by common/contract carrier);
- Type and quantity of materials distributed; and
- License or permit number of the seller.

Retain each 5400.4 in chronological order by disposition date, or alphabetically by permittee name. Do not use both methods in a single recordkeeping system.

This overview is intended as general guidance. The Federal explosives regulations at 27 CFR, Part 555 provide specific regulatory requirements. This overview is intended as an aid to compliance with those regulatory requirements—not as a replacement.

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
99 New York Avenue, N.E.
Washington, DC 20226

www.atf.gov



ATF Publication 5400.20
November 2011

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Office of Enforcement Services and Programs



ATF

Recordkeeping Requirements for Explosive Permittees and Limited Permittees



