

- Record all dispositions, and explosives use, no later than close of the next business day: include date of disposition, name/brand name of manufacturer/importer, manufacturer's marks of identification, quantity, description, size, and license/permit number of distributee.

### Permittee Records (555.125(b))

- Conduct and record annual inventory in DSMT (555.127). *Does inventory match DSMT?*
- Record acquisition no later than close of next business day: include date of acquisition, name/brand name of manufacturer/importer, manufacturer's marks of identification, quantity, description, size, and license/permit number of distributee.

### Distribution of Surplus Materials to Another Licensee/Permittee

- Record all dispositions no later than close of next business day: include disposition date, name/brand of manufacturer/importer, manufacturer's marks of identification, quantity, description, and license/permit of distributee.
- Verify licensee/permittee holds a valid ATF license/permit; obtain a certified copy of license/permit.
- Obtain current list of names of persons authorized to accept delivery on behalf of purchaser.
- Obtain certified statement of intended use.

### Additional Information

ATF P 5400.7, Federal Explosives Law and Regulations and other useful pamphlets available at <http://www.atf.gov/publications/explosives-arson/>. See more web pages at <http://www.atfgov/explosives/industry/>.

Questions regarding specific operations may be sent to the Explosives Industry Programs Branch at [eipb@atf.gov](mailto:eipb@atf.gov). Federal explosives licensees and permittees also may contact the local ATF office for further assistance or information. ATF office contact information is available at <http://www.atf.gov/contact/field/>.

U.S. Department of Justice  
Bureau of Alcohol, Tobacco, Firearms  
and Explosives  
99 New York Avenue, N.E.  
Washington, DC 20226  
[www.atf.gov](http://www.atf.gov)



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# ATF

## Compliance Guidelines for Federal Explosives Licensees and Permittees



## Compliance Guidelines

The Federal explosives regulations at 27 CFR, Part 555, provide specific storage, business operation, and recordkeeping requirements for Federal explosives licensees and permittees. This self-check pamphlet is intended as an aid to compliance with those regulatory requirements.

### Since Last Inspection

- All previous violations corrected and instructions to avoid repeat violations followed.
- Notified ATF of any magazine changes, e.g., construction changes or new magazines added (555.63).
- New employee possessors or responsible persons (or changes of responsible persons affecting change of control) reported to ATF (555.57).
- Losses/thefts reported to ATF USBDC within 24 hours of discovery. If inventory did not match DSMT, completed ATF F 5400.5, *Report of Theft of Loss Explosives* (555.30).

### Subpart K Storage

- Explosive materials stored in appropriate type magazine for specific class of explosives (555.203).
- Net explosives weight in magazine(s) does not exceed weight allowed in Tables of Distances (555.21-555.224).
- Magazines clean, dry, and free of rubbish. Explosive leakage stains cleaned and deteriorated explosives destroyed per manufacturer instructions. No spark-producing utensils or devices kept in magazines (555.215).
- Surrounding area clear of rubbish, brush, dry grass, or trees (under 10' tall), for no less than 25' volatile materials at least 50' (outdoor magazine) (555.215).
- Padlocks protected by ¼" steel hoods (for doors not secured on inside via bolt, lock, or bar) (555.207 - 555.211).
- Each door secured by 2 mortise locks; 2 padlocks fastened in separate hasps & staples; a mortise lock requiring 2 keys; a 3-point lock or combination of mortise and padlock. (Padlocks have at least 5 tumblers and casehardened shackles at least 3/8" diameter) (555.207 - 555.211).

**Note:** Semi-trailers, trailers and similar vehicular type 5 magazines require only 1 unhooded lock.

### Subpart F Conduct of Business or Operations

- License/permit posted and available for inspection (555.101).
- Transactions Among Licensees/Permittees and Among Licensees and Holders of User Permits (555.103):
- Verify licensee/permittee holds valid ATF license/permit; obtain a certified copy of license/permit.
- Obtain current list of names of persons authorized to accept delivery on behalf of purchaser.
- Obtain certified statement of intended use.
- Prior to transfer, verify person obtaining explosive materials by examining identification document, as defined in 555.11. (Not applicable to delivery by common or contract carrier.)

### Delivery by Common or Contract Carrier

- Examine driver's license to verify identity of driver.
- Record name of common/contract carrier and full name of driver.

### Distributions to Limited Permittees (LP) (555.105(b))

- LP may obtain explosive materials in State of residency for only 6 receipts in the 1—year period of the permit.
- LP completes ATF F 5400.4, *Limited Permittee Transaction Report*; provides form to the distributing licensee.
- Attach ATF F 5400.30, *Intrastate Purchase of Explosives Coupon* (IPEC).
- Must be referenced on one commercial invoice or purchase order.
- Must be delivered to LP in one shipment, at one time.
- Distributor to retain one copy of ATF F 5400.4 (either chronologically or alphabetically).
- Distributor to mail one copy to ATF.

### After Delivery by Common or Contract Carrier to Limited Permittee:

- Verify and record common carrier, driver identity, and delivery verification information as required under 555.105(b)(6)(iii). See ATF Ruling 2003-5 for alternative means of verifying receipt of explosive materials.

### Subpart G Records and Reports

- Keep records for 5 years from date of transaction (555.121).
- Records must be available for inspection (555.24).

### Licensed Importer Records (555.122)

- Conduct and record annual inventory in Daily Summary of Magazine Transaction (DSMT) (555.127). *Does inventory match DSMT?*
- Record all importation and other acquisitions no later than close of next business day: include date of importation/acquisition, name/brand of manufacturer, country of manufacture, manufacturer's marks of identification, quantity, description and size.
- Record all dispositions no later than close of next business day: include date of disposition, name/brand of manufacturer, country of manufacture, manufacturer's marks of identification, quantity, description, size, and license/permit number of distributee.

### Licensed Manufacturer Records (555.123)

- Conduct and record annual inventory in DSMT (555.127). *Does inventory match DSMT?*
- Record manufacture and other acquisitions no later than close of next business day: include date of manufacture/acquisition, manufacturer marks of identification, quantity, name/brand name or description and size.
- Record all dispositions no later than close of next business day: include date of disposition, name/brand name of manufacturer or name of importer (if any), manufacturer's marks of identification, quantity, description, size, and license/permit number of distributee.
- Record explosives manufactured for own use no later than close of next business day: include date of use, quantity and description. **Exception:** If manufactured for own use and used at the same site within 24 hours, no use record required.

### Licensed Dealer Records (555.124)

- Conduct and record annual inventory in DSMT (555.127). *Does inventory match DSMT?*
- Record purchase and other acquisitions no later than close of next business day: include date of acquisition, name/brand name of manufacturer/importer, manufacturer's marks of identification, quantity, description, size, and license/permit number of person from whom explosives were received.