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[Rules and Regulations]

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DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco
and Firearms

27 CFR Part 24

[T.D. ATF-409]

RIN 1512-AB87

Delegation of Authority

AGENCY: Bureau of Alcohol,
Tobacco and Firearms (ATF), Treasury.

ACTION: Treasury decision,
final rule.

SUMMARY: Authority delegation.
This final rule places most ATF

authorities contained
in part 24, title 27 Code of Federal Regulations

(CFR), with the ``appropriate
ATF officer" and requires that persons

file documents required
by part 24, title 27 Code of Federal

Regulations (CFR), with
the ``appropriate ATF officer" or in

accordance with the
instructions on the ATF form. Also, this final rule

removes the definitions
of, and references to, specific officers

subordinate to the Director.
Concurrently with this Treasury Decision,

ATF Order 1130.5 is
being published. Through this order, the Director

has delegated most of
the authorities in 27 CFR part 24 to the

appropriate ATF officers
and specified the ATF officers with whom

applications, notices
and other reports, which are not ATF forms, are

filed.

EFFECTIVE DATE: March
22, 1999.

FOR FURTHER INFORMATION
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Branch, Bureau of Alcohol,
Tobacco and Firearms, 650 Massachusetts

Avenue NW., Washington,
DC 20226 (202-927-8220).

SUPPLEMENTARY INFORMATION:

Background

Pursuant to Treasury
Order 120-01 (formerly 221), dated June 6,
1972, the Secretary
of the Treasury delegated to the Director of the
Bureau of Alcohol, Tobacco
and Firearms (ATF), the authority to
enforce, among other
laws, the provisions of chapter 51 of the Internal
Revenue Code of 1986
(IRC). The Director has subsequently redelegated
certain of these authorities
to appropriate subordinate officers by way
of various means, including
by regulation, ATF delegation orders,
regional directives,
or similar delegation documents. As a result, to
ascertain what particular
officer is authorized to perform a particular
function under chapter
51, each of these various delegation instruments
must be consulted. Similarly,
each time a delegation of authority is
revoked or redelegated,
each of the delegation documents must be
reviewed and amended
as necessary.

ATF has determined that this multiplicity of delegation instruments complicates and hinders the task of determining which ATF officer is authorized to perform a particular function. ATF also believes these multiple delegation instruments exacerbate the administrative burden associated with maintaining up-to-date delegations, resulting in an undue delay in reflecting current authorities.

Accordingly, this final rule rescinds all authorities of the Director in part 24 that were previously delegated and places those authorities with the ``appropriate ATF officer." Most of the authorities of the Director that were not previously delegated are also placed with the ``appropriate ATF officer." Along with this final rule, ATF is publishing ATF Order 1130.5, Delegation Order--Delegation of the Director's Authorities in part 24, Wine, which delegates certain of these authorities to the appropriate organizational level. The effect of these changes is to consolidate all delegations of authority

in part 24 into one delegation instrument. This action both simplifies

the process for determining what ATF officer is authorized to perform a

particular function and facilitates the updating of delegations in the

future. As a result, delegations of authority will be reflected in a

more timely and user-friendly manner.

In addition, this final rule also eliminates all references in the

regulations that identify the ATF officer with whom an ATF form is

filed. This is because ATF forms will indicate the officer with whom

they must be **filed**.

Similarly, this final rule also amends part 24 to

provide that the submission of documents other than ATF forms (such as

letterhead applications, notices and reports) must be **filed** with the

“appropriate ATF officer” identified in ATF Order 1130.5. These

changes will facilitate the identification of the officer with whom

forms and other required submissions are **filed**.

This final rule also makes various technical amendments to Subpart

C--Administrative and Miscellaneous Provisions of 27 CFR part 24.

Specifically, a new Sec. 24.19 is added to recognize the authority of

the Director to delegate regulatory authorities in part 24 and to

identify ATF Order 1130.5 as the instrument reflecting such

delegations. Also, Sec. 24.20 is amended to provide that the

instructions for an ATF form identify the ATF officer with whom it must

be **filed**.

ATF intends to make similar changes in delegations to all other

parts of Title 27 of the Code of Federal Regulations through separate

rulemakings. By amending the regulations part by part, rather than in

one large rulemaking document and ATF Order, ATF minimizes the time

expended in notifying interested parties of current delegations of

authority.

Paperwork Reduction Act

The provisions of
the Paperwork Reduction Act of 1995, Pub. L. 104-

13, 44 U.S.C. Chapter
35, and its implementing regulations, 5 CFR part

1320, do not apply to
this final rule because there are no new or

revised recordkeeping
or reporting requirements.

Regulatory Flexibility
Act

Because no notice
of proposed rulemaking is required for this rule,

the provisions of the
Regulatory Flexibility Act (5 U.S.C. 601 et seq.)

do not apply. A copy
of this final rule was submitted to the Chief

Counsel for Advocacy
of the Small Business Administration in accordance

with 26 U.S.C. 7805(f).
No comments were received.

Executive Order 12866

It has been determined
that this rule is not a significant

regulatory action because
it will not: (1) Have an annual effect on the

economy of \$100 million
or more or adversely affect in a material way

the economy, a sector
of the economy, productivity, competition, jobs,

the environment, public

health or safety, or State, local or tribal

governments or communities;

(2) Create a serious inconsistency or

otherwise interfere

with an action taken or planned by another agency;

(3) Materially alter

the budgetary impact of entitlements, grants, user

fees, or loan programs

or the rights and obligations of recipients

thereof; or (4) Raise

novel legal or policy issues arising out of legal

mandates, the President's

priorities, or the principles set forth in

Executive Order 12866.

Administrative Procedure

Act

Because this final

rule merely makes technical amendments and

conforming changes to

improve the clarity of the regulations, it is

unnecessary to issue

this final rule with notice and public procedure

under 5 U.S.C. 553(b).

Similarly it is unnecessary to subject this

final rule to the effective

date limitation of 5 U.S.C. 553(d).

Drafting Information

The principal author

of this document is Robert Ruhf, Regulations

Division,

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Bureau of Alcohol, Tobacco
and Firearms.

List of Subjects in
27 CFR Part 24

Administrative practice
and procedure, Authority delegations,

Claims, Electronic fund
transfers, Excise taxes, Exports, Food

additives, Fruit juices,
Labeling, Liquors, Packaging and containers,

Reporting and recordkeeping
requirements, Research, Scientific

equipment, Spices and
flavorings, Surety bonds, Taxpaid wine bottling

house, Transportation,
Vinegar, Warehouses, Wine.

Authority and Issuance

Title 27, Code of
Federal Regulations is amended as follows:

PART 24--WINE

Paragraph 1. The
authority citation for part 24 continues to read

as follows:

Authority: 5 U.S.C.
552(a); 26 U.S.C. 5001, 5008, 5041, 5042,

5044, 5061, 5062, 5081,
5111-5113, 5121, 5122, 5142, 5143, 5173,

5206, 5214, 5215, 5351,
5353, 5354, 5356, 5357, 5361, 5362, 5364-

5373, 5381-5388, 5391,
5392, 5511, 5551, 5552, 5661, 5662, 5684,

6065, 6091, 6109, 6301,
6302, 6311, 6651, 6676, 7011, 7302, 7342,

7502, 7503, 7606, 7805,
7851; 31 U.S.C. 9301, 9303, 9304, 9306.

Sec. 24.3 [Removed]

Par. 2. Section
24.3 is removed.

Par. 3. Section
24.10 is amended by removing the definitions of

``Area supervisor",
``ATF Officer", ``Region", and ``Regional

director (compliance)"
and by adding a new definition of ``Appropriate

ATF officer" to read
as follows:

Sec. 24.10 Meaning
of terms.

* * * * *

Appropriate ATF
Officer. An officer or employee of the Bureau of

Alcohol, Tobacco and
Firearms (ATF) authorized to perform any functions

relating to the administration
or enforcement of this part by ATF Order

1130.5, Delegation Order--Delegation

of the Director's Authorities in

27 CFR Part 24--Wine.

* * * * *

Par. 4. In Subpart
C--Administrative and Miscellaneous Provisions,

the undesignated center
heading of ``Authorities of the Director" is

amended by removing
the words ``of the Director".

Par. 5. A new Sec.
24.19 is added in Subpart C after the

undesignated center
heading of ``Authorities", to read as follows:

Sec. 24.19 Delegations
of the Director.

Most of the regulatory
authorities of the Director contained in

this Part 24 are delegated
to appropriate ATF officers. These ATF

officers are specified
in ATF Order 1130.5, Delegation Order--

Delegation of the Director's
Authorities in 27 CFR Part 24--Wine. ATF

delegation orders, such
as ATF Order 1130.5, are available to any

interested person by
mailing a request to the ATF Distribution Center,

P.O. Box 5950, Springfield,
Virginia 22150-5190, or by accessing the

ATF web site

[\(http://www.atf.treas.gov/\)](http://www.atf.treas.gov/).

Sec. Sec. 24.20, 24.21,
24.22, 24.87, 24.127, 24.245, 24.246, 24.247,

24.248, 24.249, and
24.250 [Amended]

Par. 6. In part
24 remove the words ``Director'' each place it

appears and add, in
substitution, the words ``appropriate ATF officer''

in the following places:

- (a) Section 24.20(a);
- (b) Section 24.21(a)
introductory text, and (c);
- (c) Section 24.22(a)
introductory text, and (b);
- (d) Section 24.87;
- (e) Section 24.127;
- (f) Section 24.245;
- (g) Section 24.246(a)(1);
- (h) Section 24.247;
- (i) Section 24.248;
- (j) Section 24.249(a);
and (k) Section 24.250(b)(9).

Par. 7. Section
24.20 is amended by adding a sentence at the end of

paragraph (a) and revising paragraph (b) to read as follows:

Sec. 24.20 Forms prescribed.

(a) * * * The form will be **filed** in accordance with the

instructions for the form.

(b) Forms may be requested from the ATF Distribution Center, P.O.

Box 5950, Springfield, Virginia 22150-5190, or by accessing the ATF web

site (<http://www.atf.treas.gov/>).

* * * * *

Sec. Sec. 24.21, 24.26, 24.27, 24.28, 24.29, 24.30, 24.31, 24.32,

24.52, 24.60, 24.62, 24.65, 24.66, 24.69, 24.70, 24.77, 24.91, 24.96,

24.105, 24.107, 24.108, 24.110, 24.111, 24.115, 24.116, 24.120, 24.123,

24.124, 24.125, 24.135, 24.137, 24.140, 24.141, 24.150, 25.154, 25.155,

24.157, 24.159, 24.165, 24.166, 24.167, 24.169, 24.170, 24.183, 24.191,

24.231, 24.236, 24.242, 24.249, 24.260, 24.265, 24.272, 24.273, 24.276,

24.278, 24.279, 24.296, 24.300 and 24.313 [Amended]

Par. 8. Part 24 is further amended by removing the words ``regional

director (compliance)"
each place it appears and adding, in

substitution, the words
"appropriate ATF officer" in the following

places:

- (a) Section 24.21(b);
- (b) Section 24.26;
- (c) Section 24.27;
- (d) Section 24.28;
- (e) Section 24.29;
- (f) Section 24.30;
- (g) Section 24.31;
- (h) Section 24.32;
- (i) Section 24.52(a);
- (j) Section 24.60;
- (k) Section 24.62;
- (l) Section 24.65(a)
introductory text, (b) introductory text, and
(c) introductory text;
- (m) Section 24.66(a);
- (n) Section 24.69(b);
- (o) Section 24.70;
- (p) Section 24.77(c),
(d) and (e);
- (q) Section 24.91(c);

- (r) Section 24.96(a);
- (s) Section 24.105;
- (t) Section 24.107;
- (u) Section 24.108;
- (v) Section 24.110(c)(1);
- (w) Section 24.111;
- (x) Section 24.115;
- (y) Section 24.116;
- (z) Section 24.120;
- (aa) Section 24.123;
- (bb) Section 24.124;
- (cc) Section 24.125(c);
- (dd) Section 24.135(b)(4),
(c), (d) and (e);
- (ee) Section 24.137(a),
(b)(3) and (c);
- (ff) Section 24.140(a)
and (b)(3);
- (gg) Section 24.141;
- (hh) Section 24.150;
- (ii) Section 24.154;
- (jj) Section 24.155
(a), introductory text and (b);
- (kk) Section 24.157;
- (ll) Section 24.159;

(mm) Section 24.165;

(nn) Section 24.166;

(oo) Section 24.167(a);

(pp) Section 24.169;

(qq) Section 24.170(a)
and (b);

(rr) Section 24.183;

(ss) Section 24.191;

(tt) Section 24.231;

(uu) Section 24.236;

(vv) Section 24.242
(a), introductory text, (b), (c)(1),
introductory text, and
(c)(2);

(ww) Section 24.249(c);

(xx) Section 24.260;

(yy) Section 24.265;

(zz) Section 24.272(b)(3)
and (e);

(aaa) Section 24.273(b);

(bbb) Section 24.276;

(ccc) Section 24.278(h);

(ddd) Section 24.279(a);

(eee) Section 24.296(a)
and (b);

(fff) Section 24.300(d);

and

(ggg) Section 24.313,
introductory text.

Par. 9. In Subpart
C-Administrative and Miscellaneous Provisions,

the undesignated center
headings of ``Authorities of the Regional

Director (Compliance)"
and ``Authorities of ATF Officers" are

removed.

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Sec. 24.22 [Amended]

Par. 10. Paragraph
(b) of Sec. 24.22 is amended by removing the

words ``the regional
director (compliance) for transmittal to".

Par. 11. Paragraph
(c) of Sec. 24.22 is amended by removing the

phrase ``the regional
director (compliance), or the Director" and

adding, in substitution,
the phrase ``appropriate ATF officer".

Secs. 24.36, 24.230
and 24.235 [Amended]

Par. 12. Section
24.36, Sec. 24.230, and paragraph (b) of

Sec. 24.235 are amended
by removing the words ``area supervisor" and

adding, in substitution,
the words ``appropriate ATF officer".

Par. 13. Section
24.25 is revised to read as follows:

Sec. 24.25 Emergency
variations from requirements.

(a) General. The
appropriate ATF officer may approve construction,

equipment, and methods
of operation other than as specified in this

part, when in the judgment
of such officer an emergency exists, the

proposed variations
from the specified requirements are necessary, and

the proposed variations:

(1) Will afford
the security and protection to the revenue intended

by the prescribed specifications;

(2) Will not hinder
the effective administration of this part; and

(3) Will not be
contrary to any provisions of law.

(b) Application.
The proprietor must submit a written application

to the appropriate ATF
officer within 24 hours of any temporary

approval granted under
paragraph (c) of this section, which describes

the proposed variation,
and sets forth the reasons therefor.

(c) Temporary Approval.

The proprietor who desires to employ an

emergency variation

from requirements must contact the appropriate ATF

officer and request

temporary approval until the written application,

required by paragraph

(b) of this section, is acted upon. The

appropriate ATF officer

will be a subordinate of the ATF officer

designated in paragraph

(a) of this section. Where the emergency

threatens life or property,

the proprietor may take immediate action to

correct the situation

without prior notification; however, the

proprietor must promptly

contact the appropriate ATF officer and file

with that officer a

report concerning the emergency and the action

taken to correct the

situation.

(d) Conditions.

The proprietor must, during the period of variation

from requirements granted

under this section, comply with the terms of

the approved application.

A failure to comply in good faith with any

procedures, conditions,

and limitations will automatically terminate

the authority for a variation. Upon termination of the variation, the

proprietor must fully comply with requirements of regulations for which

the variation was authorized.

Authority for any variation may be

withdrawn whenever in the judgment of the appropriate ATF officer the

revenue is jeopardized or the effective administration of this part is

hindered by the continuation of the variation.

Secs. 24.30, 24.35, 24.37, 24.40, 24.54, 24.77, 24.91, 24.117, 24.259,

24.291, 24.293, 24.300 and 24.304 [Amended]

Par. 14. Part 24 is further amended by adding the word

“appropriate” before the words “ATF officer” each place it appears

in the following places:

(a) Section 24.30;

(b) Section 24.35;

(c) Section 24.37;

(d) Section 24.40;

(e) Section 24.54(c);

(f) Section 24.77(d);

(g) Section 24.91,
introductory text;

(h) Section 24.117;

(i) Section 24.259(c);

(j) Section 24.291(c);

(k) Section 24.293(b);

(l) Section 24.300(b)
and (e)(3); and

(m) Section 24.304(a).

Sec. 24.31 [Amended]

Par. 15. Section
24.31 is amended by removing the phrase ``a

designated", and in
substitution, adding the phrase ``an

appropriate".

Par. 16. Section
24.41 is revised to read as follows:

Sec. 24.41 Office facilities.

The appropriate
ATF officer may require the proprietor to furnish

temporarily a suitable
work area, desk and equipment necessary for the

use of appropriate ATF
officers in performing Government duties whether

or not such office space
is located at the specific premises where

regulated operations
occur or at corporate business offices where no

regulated activity occurs.
Such office facilities will be subject to

approval by the appropriate
ATF officer.

Sec. 24.52 [Amended]

Par. 16. The second
sentence of paragraph (b) of Sec. 24.52 is

amended by removing
the words ``regional director (compliance) of the

region in which the
bonded wine premises or taxpaid wine bottling house

is located" and adding,
in substitution, the phrase ``appropriate ATF
officer".

Par. 17. The first,
fifth and sixth sentences of paragraph (b) of

Sec. 24.77 are revised
to read as follows:

Sec. 24.77 Experimental
wine.

* * * * *

(b) Qualification.
An institution that wants to conduct

experimental wine operations
must apply in letter form to the

appropriate ATF officer.

* * * The applicant must, when required by the

appropriate ATF officer,
furnish as part of the application, additional

information that may
be necessary to determine whether the application
should be approved.
Operations may not begin until authorized by the
appropriate ATF officer.

* * * * *

Par. 19. The second
and last sentences of Sec. 24.80 are revised to
read as follows:

Sec. 24.80 General.

* * * The formula
must be prepared and **filed** on ATF F 5120.29,

Formula and Process
for Wine, in accordance with the instructions on

the form.* * * Except
for research, development, and testing, no

special natural wine,
agricultural wine, or, if required to be covered

by an approved formula,
wine other than standard wine may be produced

prior to approval by
the appropriate ATF officer of a formula covering

each ingredient and
process (if the process requires approval) used in

the production of the
product.

* * * * *

Par. 20. The third

and sixth sentences of Sec. 24.81 are revised as follows:

Sec. 24.81 Filing of formulas.

* * * After a change in formula is approved, the original formula must be surrendered to the appropriate ATF officer. * * * The appropriate ATF officer may at any time require the proprietor to file a statement of process in addition to that required by the ATF F 5120.29 or any other data to determine whether the formula should be approved or the approval continued.

* * * * *

Sec. 24.82 [Amended]

Par. 21. The fourth sentence of Sec. 24.82 is amended by removing the words ``Director or the regional director (compliance)" and adding, in substitution, the words ``appropriate ATF officer".

Sec. 24.100 [Amended]

Par. 22. Section 24.100 and the introductory text of paragraph (g) of Sec. 24.300 are amended to remove the phrase ``to the regional

director (compliance)".

Sec. 24.101 [Amended]

Par. 23. The first and second sentences of paragraph (a) of

Sec. 24.101

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are amended to remove the phrase ``with the regional director

(compliance)" and in the first sentence only add, in substitution, the

phrase ``as provided in Sec. 24.105".

Par. 24. Section 24.103 is revised to read as follows:

Sec. 24.103 Other operations.

Upon the specific approval of the appropriate ATF officer, other

operations not provided for in this part may be conducted on wine

premises. Authority to conduct other operations may be obtained by

submitting an application to the appropriate ATF officer. The

application must specifically describe the operation to be conducted

and the wine premises and equipment to be used. An appropriate ATF

officer may make any inquiry necessary to determine whether the conduct

of other operations
on wine premises would jeopardize the revenue,

conflict with wine operations,
or be contrary to law. Other operations

authorized under this
section will be conducted in accordance with the

conditions, limitations,
procedures, and terms stated in the approved

application. Authority
to conduct other operations may be withdrawn

whenever the appropriate
ATF officer determines the conduct of the

other operations on
wine premises jeopardizes the revenue, conflicts

with wine operations,
or is contrary to law.

Sec. Sec. 24.106, 24.114,
24.135, and 24.137 [Amended]

Par. 25. The fourth
sentence of Sec. 24.106, the second and third

sentences of Sec. 24.114,
the introductory text of paragraph (b) of

Sec. 24.135 and paragraph
(b) of Sec. 24.137 are amended to remove the

phrase ``with the regional
director (compliance)".

Sec. 24.109 [Amended]

Par. 26. The second
sentence of paragraph (k) of Sec. 24.109 is

amended by removing
the words ``regional director (compliance) of any

ATF region" and adding,
in substitution, the phrase ``appropriate ATF

officer" and the fourth
and fifth sentences are amended by removing

the words ``regional
director (compliance)" and by adding, in

substitution, the phrase
``appropriate ATF officer".

Par. 27. Paragraph
(d) of Sec. 24.110 is revised to read as

follows:

Sec. 24.110 Organizational
Documents.

* * * * *

(d) Availability
of additional corporate documents. The originals

of documents required
to be submitted under this section and additional

documents that may be
required by the appropriate ATF officer (such as

articles of incorporation,
bylaws, and any certificate issued by a

State authorizing operations)
must be made available to any appropriate

ATF officer upon request.

* * * * *

Sec. 24.116 [Amended]

Par. 28. The last sentence of Sec. 24.116 is amended to remove the

words ``regional director" and adding, in substitution, the phrase

``appropriate ATF officer".

Sec. 24.131 [Amended]

Par. 29. Section 24.131 is amended to remove the words ``regional

director (compliance) through the area supervisor" from the first

sentence and the words ``regional director (compliance)" from the

third sentence and adding in both sentences, in substitution, the

phrase ``appropriate ATF officer".

Par. 30. The first and second sentences of Sec. 24.145 are revised

to read as follows:

Sec. 24.145 General requirements.

Each person required to file a bond or consent of surety under this

part must prepare, execute and submit the bond or consent of surety on

the prescribed form in accordance with this part and the instructions

printed on the form.

A person may not commence or continue any business

or operation relating
to wine until all bonds and consents of surety

required under this
part with respect to the business or operation have

been approved by the
appropriate ATF officer.* * *

Sec. 24.201 [Amended]

Par. 31. The first
sentence of Sec. 24.201 is amended by removing

the phrase ``from the
Director" and adding, in substitution, the word

``an".

Sec. 24.211 [Amended]

Par. 32. The second
sentence of Sec. 24.211 is amended by removing

the words ``with the
Director".

Par. 33. Paragraph
(b) of Sec. 24.249 is revised to read as

follows:

Sec. 24.249 Experimentation
with new treating material or process.

* * * * *

(b) Application.

The proprietor who wants to conduct

experimentation must
file an application with the appropriate ATF

officer setting forth
in detail the experimentation to be conducted and

the facilities and equipment
to be used. The proposed experimentation

must not be conducted
until the appropriate ATF officer has determined

that the conduct of
such experimentation must not jeopardize the

revenue, conflict with
wine operations, or be contrary to law, and has

approved the application.

* * * * *

Sec. 24.250 [Amended]

Par. 34. Paragraph
(a) of Sec. 24.250 is amended by removing the

following phrase ``regional
director (compliance) of the region in

which the bonded wine
premises is located" and adding, in

substitution, the phrase
``appropriate ATF officer".

Sec. 24.250 [Amended]

Par. 35. Paragraph
(c) of Sec. 24.250 is revised by removing the

word ``Director" in
the first sentence and, in substitution, adding

the phrase ``appropriate
ATF officer", and removing the last two

sentences.

Par. 36. Paragraph
(d) of Sec. 24.250 is revised to read as

follows:

Sec. 24.250 Application
for use of new treating material or process.

* * * * *

(d) Processing of
application. After evaluation of the data

submitted with the application,
the appropriate ATF officer will make a

decision regarding the
acceptability of the proposed treatment in good

commercial practice.
The appropriate ATF officer will notify the

proprietor of the approval
or disapproval of the application.

* * * * *

Sec. 24.267 [Amended]

Par. 37. Section
24.267 is amended by removing the words ``regional

director (compliance)
or nearest designated" and adding, in

substitution, the word
``appropriate".

Par. 38. The text
of 24.268 is revised to read as follows:

Sec. 24.268 Losses
by fire or other casualty.

The proprietor must
immediately report any loss by theft, fire or

other casualty, or any
other extraordinary or unusual loss to the

appropriate ATF officer.
If required by the appropriate ATF officer,

the proprietor must
file a claim under the provisions of Sec. 24.65.

The volume of wine loss
must be reported on ATF F 5120.17 for the
reporting period during
which the loss occurred.

* * * * *

Sec. 24.272 [Amended]

Par. 39. Paragraph
(b)(1) of Sec. 24.272 is amended by removing the

words ``regional director
(compliance) of each ATF region in which

taxes are paid" and
adding, in substitution, the words ``appropriate

ATF officer".

Par. 40. Paragraph
(a) of Sec. 24.294 is revised to read as

follows:

[[Page 13686]]

Sec. 24.294 Destruction
of Wine.

(a) General. Wine
on bonded wine premises may be destroyed on or

off wine premises by
the proprietor without payment of tax. A

proprietor who wants
to destroy wine on or off wine premises must file

with the appropriate
ATF officer an application stating the kind,

alcohol content, and
approximate volume of wine to be destroyed, where

the wine is to be destroyed,
and the reason for destruction. Wine to be

destroyed must be inspected,
and the destruction supervised, by an

appropriate ATF officer
unless the appropriate ATF officer authorizes

the proprietor to destroy
the wine without inspection and supervision.

The wine must not be
destroyed until the proprietor has received

authority from the appropriate
ATF officer.

Par. 41. The third
sentence of paragraph (a) introductory text, of

Sec. 24.300 is amended
by removing the phrase ``submitted to the

regional director (compliance)".

Par. 42. Sec. 24.300,
paragraph (c) and the third and fifth

sentences of paragraph
(g)(2) are revised to read as follows:

Sec. 24.300 General.

* * * * *

(c) Prescribed forms.

All reports required by this part must be submitted on forms prescribed by Sec. 24.20. Entries will be made as indicated by the headings of the columns and lines, and as required by the instructions for the form. Report forms are furnished free of cost.

* * * * *

(g) ATF F 5120.17,
Report of bonded wine premises operations. * * *

(2) * * * A proprietor who is commencing operations during a calendar year and expects to meet these criteria may use a letter notice to the appropriate ATF officer, and file an annual ATF F 5120.17 for the remaining portion of the calendar year. * * * If there is a jeopardy to the revenue, the appropriate ATF officer may at any time require any proprietor otherwise eligible for annual filing of a report of bonded wine premises operations to file such report monthly.

* * * * *

Signed: December
9, 1998.

John W. Magaw,
Director.

Approved: February
9, 1999.

John P. Simpson,

Deputy Assistant Secretary
(Regulatory, Tariff and Trade Enforcement).

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