



# INDUSTRY CIRCULAR

DEPARTMENT OF  
THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Washington, D.C. 20224

Number: 72-20

Date: July 18, 1972

## SUBMISSION OF EVIDENCE OF EXPORTATION

Manufacturers of tobacco products and  
proprietors of export warehouses:

Revenue Ruling 72-325, Internal Revenue Bulletin No. 1972-26, June 26, 1972, authorizes the submission of other evidence of exportation in lieu of (1) customs certificate of export, clearance, or departure on notices of removal of tobacco products and cigarette papers or tubes or (2) certificate of inspection, lading, and export of such products on claims for drawback.

For your convenience, the ruling as printed in the Bulletin is reproduced below.

### Rev. Rul. 72-325

Manufacturers of tobacco products and cigarette papers or tubes, and proprietors of export warehouses have asked whether export procedures may be established for such articles similar to procedures set out for liquors and specially denatured spirits in Revenue Ruling 71-208, C.B. 1971-1, 480. This ruling was necessitated by amendment of 15 CFR Part 30, Commerce and Foreign Trade Regulations (in regard to preparation of Shipper's Export Declaration in case of shipments to certain American possessions), and by delays experienced by shippers in obtaining customs clearance on internal revenue export forms. In effect, the ruling provides for submission of other evidence of exportation in lieu of customs certification of lading for export and clearance.

In respect to exportation of tobacco products and cigarette papers and tubes, section 5704, Internal Revenue Code of 1954, provides for removal of such articles without payment of tax from factories or export warehouses for shipment to a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States, or for consumption beyond the jurisdiction of the internal revenue laws; and section 5706 provides for drawback of tax paid on such articles when shipped from the United States.

Regulations, 26 CFR Part 290, written under the foregoing sections of the Code provide for customs certificate of

export, clearance, or departure on notices of removal from factories or export warehouses, or certificate of inspection, lading, and export on claims for drawback.

Such regulations, 26 CFR 290.72, also provide for variations from prescribed requirements contingent upon a finding by the Director, Alcohol, Tobacco and Firearms Division, that, in effect, good cause has been shown for a requested variation and that the variation would be consistent with the purpose and intended effect of prescribed methods or procedures and would afford equivalent security to the revenue but would not be contrary to law nor result in increased cost to the Government or hinder effective administration of Part 290.

*Held*, in the case of exportation of tobacco products and cigarette papers and tubes to foreign countries, Puerto Rico, the Virgin Islands, or a possession of the United States (except by way of Foreign-Trade Zones or Federal agencies) the Director, Alcohol, Tobacco and Firearms Division has found that certain evidence of exportation would meet the criteria of 26 CFR 290.72 for an acceptable variation from requirements for obtaining customs certification in section B, Form 2147, Claim For Drawback of Tax On Cigars, Cigarettes, Cigarette Papers, Or Cigarette Tubes; in Part III, Form 2149, Notice of Removal of Cigars, Cigarettes, Cigarette Papers, Or Cigarette Papers, Or Cigarette Tubes, From

Factory; or in Part III, Form 2150, Notice of Removal of Cigars, Cigarettes, Cigarette Papers, or Cigarette Tubes, From Export Warehouse.

The evidence of exportation found by the Director to be acceptable in lieu of customs certification includes (1) a certified copy of an ocean bill of lading or an original of an ocean bill of lading signed by a duly authorized agent of the carrier (such as a bill of lading clerk) have knowledge that the articles were, in fact, laden on board the exporting conveyance, or proof of actual exportation such as a statement signed by an official of an American possession or a foreign customs officer attesting to actual landing, and (2) a statement signed under the penalties of perjury from the "shipper-exporter" that the articles were exported.

Manufacturers or warehouse proprietors desiring to make shipment of articles to American possessions, Puerto Rico, the Virgin Islands, or foreign countries as provided herein should advise the Assistant Regional Commissioner, Alcohol, Tobacco and Firearms, of the region from which shipment will be made of their intention to submit other evidence of exportation in lieu of customs certification. The Assistant Regional Commissioner will advise the "shipper-exporter", as to any change in normal distribution requirements for internal revenue forms covering the exportations.

Inquiries regarding this circular should refer to its number and be addressed to your Regional Director, Bureau of Alcohol, Tobacco and Firearms.

  
Lawrence S. Carlson, Acting Director