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**FARM CREDIT ADMINISTRATION**

Farm Credit Administration Board;  
Regular Meeting

**SUMMARY:** Notice is hereby given pursuant to the Government in the Sunshine Act (5 U.S.C. 552b(e)(3)), of the forthcoming regular meeting of the Farm Credit Administration Board (Board).

**DATE AND TIME:** The meeting is scheduled to be held at the offices of the Farm Credit Administration in McLean, Virginia, on November 4, 1986, from 10:00 a.m. until such time as the Board concludes its business.

**FOR FURTHER INFORMATION CONTACT:**

Kenneth J. Auberger, Secretary to the Farm Credit Administration Board, 1501 Farm Credit Drive, McLean, Virginia 22102-5090, (703) 883-4010.

**ADDRESS:** Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090.

**SUPPLEMENTARY INFORMATION:** Parts of this meeting of the Board will be open to the public (limited space available), and parts of the meeting will be closed to the public. The matters to be considered at the meeting are:

1. Approval of Minutes of October Meeting.
2. Regulations: Consideration of Amendments to Parts 620 and 621—Disclosure to Stockholders.
- \*3. Consideration of Personnel Related Matters.
4. FCS Building Association Matters.
- \*5. Examination and Enforcement Matters.
- \*Closed Session—exempt pursuant to 5 U.S.C. 552b(c)(2).
- \*\*Closed Session—exempt pursuant to 5 U.S.C. 552b(c) (4), (8) and (9).

Dated: October 27, 1986.

Frank W. Naylor, Jr.,

Chairman, Farm Credit Administration.

[FR Doc. 86-24561 Filed 10-27-86; 12:54 pm]

BILLING CODE 6705-01-M

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**FEDERAL DEPOSIT INSURANCE CORPORATION**

Agency Meeting

Pursuant to the provisions of the "Government in the Sunshine Act" (5 U.S.C. 552b), notice is hereby given that at 2:07 p.m. on Thursday, October 23, 1986, the Board of Directors of the Federal Deposit Insurance Corporation met in closed session, by telephone conference call, to: (1) Accept the highest acceptable bid which may be submitted in accordance with the "Instructions for Bidding" for a purchase and assumption transaction, or (2) in the event no acceptable bid for a purchase and assumption transaction is submitted, accept the highest acceptable

bid for an insured deposit transfer transaction which may be submitted, or (3) in the event no acceptable bid for either type transaction is submitted, make funds available for the payment of the insured deposits of the closed bank, with respect to each of the following: (a) Bank of Gering, Gering, Nebraska, an insured State nonmember bank scheduled for closing later in the day by the Director of Banking and Finance for the State of Nebraska, (b) Stillwater Community Bank, Stillwater, Oklahoma, an insured State nonmember bank scheduled for closing later in the day by the Bank Commissioner for the State of Oklahoma, and (c) Security National Bank, Anchorage, Alaska, an insured bank scheduled for closing later in the day by the Deputy Comptroller of the Currency, Office of the Comptroller of the Currency.

At that same meeting, the Board of Directors also considered the application of Bank of Norfolk, Norfolk, Nebraska, an insured State nonmember bank, for consent to purchase the assets of and assume the liability to pay deposits made in First Savings Company of Norfolk, Nebraska, an insured industrial loan company, and for consent to establish the sole office of First Savings Company of Norfolk as a branch of the resultant bank.

In calling the meeting, the Board determined, on motion of Director C.C. Hope, Jr. (Appointive), seconded by Mr. Robert J. Herrmann, acting in the place and stead of Director Robert L. Clarke (Comptroller of the Currency), that Corporation business required its consideration of the matters on less than seven days' notice to the public; that no earlier notice of the meeting was practicable; that the public interest did not require consideration of the matters in a meeting open to public observation; and that the matters could be considered in a closed meeting pursuant to subsections (c)(6), (c)(8), (c)(9)(A)(ii), and (c)(9)(B) of the "Government in the Sunshine Act" (5 U.S.C. 552b(c)(6), (c)(8), (c)(9)(A)(ii), and (c)(9)(B)).

Dated: October 24, 1986.

Federal Deposit Insurance Corporation.

Hoyle L. Robinson,

Executive Secretary.

[FR Doc. 86-24560 Filed 10-27-86; 12:45 pm]

BILLING CODE 6714-01-M

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**FEDERAL ENERGY REGULATORY COMMISSION**

**TIME AND DATE:** November 3, 1986. 10:00 a.m.

**PLACE:** 825 North Capitol Street, NE., Room 9306, Washington, DC 20426.

**STATUS:** Open.

**MATTERS TO BE CONSIDERED:** Agenda.

\*Note.—Items listed on the agenda may be deleted without further notice.

**CONTACT PERSON FOR MORE INFORMATION:**

Kenneth F. Plumb, Secretary, Telephone (202) 357-8400.

This is a list of matters to be considered by the Commission. It does not include a listing of all papers relevant to the items on the agenda; however, all public documents may be examined in the division of public information.

Consent Power Agenda 844th Meeting—November 3, 1986, Regular Meeting (10:00 a.m.)

CAP-1.

Omitted.

CAP-2.

Omitted.

CAP-3.

Project Nos. 5915-003 and 9517-000, White Chuck Water Company

CAP-4.

Project No. 8080-003, High Rock Hydro Partners

CAP-5.

Omitted.

CAP-6.

Project No. 9955-000, Lowman Associates

CAP-7.

Project No. 662-000, Pinedale Power and Light Company

CAP-8.

Omitted.

CAP-9.

Omitted.

CAP-10.

Docket No. ER86-701-000, Kansas City Power & Light Company

CAP-11.

Docket No. ER86-704-000, Canal Electric Company

CAP-12.

Docket No. QF86-686-001, Martin Marietta Aluminum Properties, Inc.

CAP-13.

Docket No. ER86-593-001, Alabama Power Company

CAP-14.

Docket Nos. ER86-368-002 and 003, El Paso Electric Company

CAP-15.

Docket No. ER85-720-005, Connecticut Light and Power Company

CAP-16.

Docket No. EC86-24-001, Niagara Mohawk Power Corporation

Consent Miscellaneous Agenda

CAM-1.

Omitted.

CAM-2.

Docket No. RM85-1-000, regulation of natural gas pipelines after partial wellhead decontrol (Tennessee Gas Pipeline Company, Division of Tennessee Inc.)

CAM-3.

Docket No. RM84-1-000, Regulation of natural gas pipelines after partial



- wellhead decontrol (Panda Resources, Inc.)
- CAM-4. Omitted.
- CAM-5. Docket No. GP85-58-000, State of Louisiana, Department of Natural Resources, Section 103 Determination, Forman Petroleum Corporation, LL&E #2 well, FERC JD No. 85-11240.
- CAM-6. Docket Nos. GP86-36-000 and GP86-37-000, Chevron U.S.A. Inc.
- CAM-7. Docket No. RA82-20-000, ICG Vista Petroleum, Inc. and Thunderbird Resources, Inc. (a division of Flying J, Inc.)
- CAM-8. Docket No. RO85-22-000, Sun Company, Inc.

#### Consent Gas Agenda

- CAG-1. Omitted.
- CAG-2. Omitted.
- CAG-3. Omitted.
- CAG-4. Omitted.
- CAG-5. Docket No. RP86-84-001, Florida Gas Transmission Company
- CAG-6. Docket No. RP86-112-017, Columbia Gas Transmission Corporation  
Docket No. RP86-108-016, Columbia Gulf Transmission Company
- CAG-7. Omitted.
- CAG-8. Docket No. RP87-8-000, Northern Natural Gas Company, division of Enron Corporation
- CAG-9. Omitted.
- CAG-10. Omitted.
- CAG-11. Omitted.
- CAG-12. Omitted.
- CAG-13. Omitted.
- CAG-14. Omitted.
- CAG-15. Omitted.
- CAG-16. Omitted.
- CAG-17. Docket Nos. RP86-155-001 and 002, Northwest Central Pipeline Corporation
- CAG-18. Docket No. TA87-1-33-002, El Paso Natural Gas Company
- CAG-19. Docket No. RP86-151-001, Seagull Interstate Corporation
- CAG-20. Omitted
- CAG-21. Docket Nos. RP83-34-007 and RP79-10-025, Great Lakes Gas Transmission Company
- CAG-22. Docket No. RP86-118-001, Consolidated Gas Transmission Corporation
- CAG-23. Docket Nos. RP86-137-000 and 002, Florida Gas Transmission Company
- CAG-24. Docket No. RP86-92-005, Northwest Pipeline Corporation
- CAG-25. Docket Nos. TA86-3-28-000 and 004, Panhandle Eastern Pipe Line Company
- CAG-26. Omitted
- CAG-27. Docket No. TA84-1-53-017, K N Energy, Inc.
- CAG-28. Docket Nos. TA87-1-62-000 and 001, Pacific Offshore Pipeline Company
- CAG-29. Docket No. ST86-675-000, Columbia Gas and Transmission Corporation
- CAG-30. Docket Nos. RI74-188-087 and RI75-21-082, Independent Oil & Gas Association of West Virginia
- CAG-31. Omitted
- CAG-32. Docket Nos. CP86-277-001, 002, 003, 004 and CP86-810-002, Southern Natural Gas Company  
Docket Nos. CP86-366-001, 002 and 003, Southern Natural Gas Company and South Georgia Natural Gas Company
- CAG-33. Docket Nos. CP85-756-002 through 006, Consolidated Gas Transmission Corporation  
Docket Nos. CP86-208-002 through 006, Consolidated System LNG Company and Consolidated Gas Transmission Corporation  
Docket Nos. CP85-806-001 through 005, Texas Eastern Transmission Corporation  
Docket Nos. CP86-454-001 through 005, Columbia Gas Transmission Corporation
- CAG-34. Omitted
- CAG-35. Docket Nos. CP86-83-001, CP86-106-001, CP86-107-001, CP86-108-001, CP86-131-001, CP86-132-001, CP86-133-001, CP86-134-001, CP86-135-001, CP86-136-001, CP86-137-001 and CP86-186-001, Natural Gas Pipeline Company of America
- CAG-36. Docket Nos. CP86-216-001, 002, 003, CP86-217-001, 002, 003, CP86-222-001, 002, 003, CP86-223-001, 002, 003, CP86-242-001, 002, 003, CP86-243-001, 002, CP86-255-001, 002, 003, CP86-256-001, 002, 003 and CP84-258-002, Panhandle Eastern Pipe Line Company
- CAG-37. Omitted
- CAG-38. Docket No. CP86-147-000, Southern Natural Gas Company  
Docket No. CP86-464-000, Tennessee Gas Pipeline Company, Division of Tenneco Inc.
- CAG-39. Docket Nos. CP86-108-004, CP86-133-004, CP86-134-004, CP86-136-002 and CP86-137-003, Natural Gas Pipeline Company of America

- CAG-40. Docket No. CP86-699-000, Trunkline Gas Company
- CAG-41. Docket No. TC82-43-004, K N Energy, Inc.
- CAG-42. Docket No. CP70-69-001, Northern Natural Gas Company, Division of Enron Corporation
- CAG-43. Docket No. CP86-351-000, National Fuel Gas Supply Corporation, National Fuel Gas Distribution and Eastern Natural Gas Company

#### I. Licensed Project Matters

- P-1. Reserved

#### II. Electric Rate Matters

- ER-1. Docket No. ER82-616-029, Systems Energy Resources, Inc.
- ER-2. Docket No. ER86-694-000, New England Power Pool
- ER-3. Docket No. ER86-394-000, Pacific Power and Light Company, an assumed business name of PacifiCorp
- ER-4. Docket Nos. ER86-215-000 and ER86-522-000, Idaho Power Company
- ER-5. Docket No. ER86-637-000, Montana Power Company
- ER-6. Docket No. ER86-630-000, Utah Power & Light Company

#### Miscellaneous Agenda

- M-1. Omitted
- M-2. Reserved
- M-3. Reserved
- M-4. Omitted
- M-5. Docket Nos. RM79-63-000 through 007 and RM82-31-000 through 007, fees applicable to natural gas pipelines  
Docket No. CP86-143-002, Texas Gas Transmission Corporation
- M-6. Docket No. RM85-1-000, Regulation of natural gas pipelines after partial wellhead decontrol (Columbia Gas Transmission Corporation, Columbia Gulf Transmission Company, Texas Independent Producers and Royalty Owners Association, Northwest Central Pipeline Corporation, Yankee International Company, Capital Energy Corporation, Iowa Electric Light and Power Company, Illinois Commerce Commission, Ong Western, Inc., Cascade Natural Gas Corporation, Pelmont Oil Corporation, Essex Offshore, Inc. and Nycotex Gas Transport  
Docket No. RM85-1-174, Regulation of natural gas pipelines after partial wellhead decontrol (National Fuel Gas Distribution Corporation)



Docket No. CP81-319-001, National Fuel Gas Distribution Corporation

- MP-7.  
Docket Nos. RM86-3-003 through 065, ceiling prices; old Gas Pricing Structure

#### I. Pipeline Rate Matters

- RP-1.  
Omitted
- RP-2.  
Docket Nos. RP82-71-018, TA83-1-59-009, RP82-71-017, TA83-1-59-006, TA84-1-59-005 and TA85-1-59-005, Northern Natural Gas Company, a division of Enron Corporation
- RP-3.  
Docket No. RP82-55-000, Transcontinental Gas Pipe Line Corporation
- RP-4.  
(A) Docket Nos. RP85-177-000, RP85-176-000, RP83-35-000, RP81-109-000, RP74-41-000 and TC86-3-000, Texas Eastern Transmission Corporation  
(B) Docket Nos. CP86-378-000, CP86-379-000 and CP86-380-000, Texas Eastern Transmission Corporation
- RP-5.  
(A) Docket No. RP85-206-000, Northern Natural Gas Company, a division of Enron Corporation  
(B) Docket No. CP86-435-000, Northern Natural Gas Company, a division of Enron Corporation
- RP-6.  
(A) Docket No. RP85-175-000, Transwestern Pipeline Company  
(B) Docket No. CP86-276-000, Transwestern Pipeline Company
- RP-7.  
Docket No. RP87-7-000, Transcontinental Gas Pipe Line Corporation

#### II. Producer Matters

- CI-1.  
Docket No. CI80-151-001, Mitchell Energy Corporation
- CI-2.  
Docket No. CI78-1179-002, Dorchester Gas Producing Company

#### III. Pipeline Certificate Matters

- CP-1.  
Docket Nos. CP84-435-000 and 001, Arkla Energy Resources  
Docket No. CP84-436-000, Southern Natural Gas Company
- CP-2.  
Docket No. CP84-252-000, Trans-Appalachian Pipeline, Inc.
- CP-3.  
Docket Nos. CP86-422-000, CP86-456-000 and CP86-474-000, Great Lakes Gas Transmission Company  
Docket No. CP79-467-009, ANR Pipeline Company

- CP-4.  
Omitted  
Kenneth F. Plumb,  
Secretary.

[FR Doc. 86-24592 Filed 10-27-86; 3:25 p.m.]  
BILLING CODE 6717-01-M

#### 12

##### FEDERAL RESERVE SYSTEM BOARD OF GOVERNORS

**TIME AND DATE:** 12:00 noon, Monday, November 3, 1986.

**PLACE:** Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, NW., Washington, DC 20551.

**STATUS:** Closed.

##### MATTERS TO BE CONSIDERED:

1. Proposed Federal Reserve Bank salary structure adjustments.
2. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
3. Any items carried forward from a previously announced meeting.

##### CONTACT PERSON FOR MORE INFORMATION:

Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204. You may call (202) 452-3207, beginning at approximately 5 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: October 24, 1986.

James McAfee,

Associate Secretary of the Board.

[FR Doc. 86-24495 Filed 10-24-86; 4:41 pm]

BILLING CODE 6210-01-M

#### 13

##### POSTAL SERVICE

(Board of Governors)

**"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT:** 51 FR 37540, October 22, 1986.

**PREVIOUSLY ANNOUNCED TIME AND DATE:** 8:00 a.m., Tuesday, November 4, 1986.

**CHANGES IN THE MEETING:** Addition of the following agenda items:

3. Number of Assistant Postmasters General.

##### CONTRACT PERSON FOR MORE INFORMATION:

Mr. David F. Harris, Secretary of the Board, (202) 268-4800. David F. Harris, Secretary.

[FR Doc. 86-24573 Filed 10-27-86; 3:04 pm]

BILLING CODE 7710-12-M

#### 14

##### SECURITIES AND EXCHANGE COMMISSION

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meeting during the week of November 3, 1986:

An open meeting will be held on Tuesday, November 4, 1986, at 2:30 p.m., in Room 1C30 followed by a closed meeting.

The Commissioners, Counsel to the Commissioners, the Secretary of the Commission, and recording secretaries will attend the closed meeting. Certain staff members who are responsible for the calendared matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552(c)(4), (8), (9)(A) and (10) and (17) CFR 200.402(a)(4), (8), (9)(i) and (10), permit consideration of the scheduled matters at a closed meeting.

Commissioner Fleischman, as duty officer, voted to consider the items listed for the closed meeting in closed session.

The subject matter of the open meeting scheduled for Tuesday, November 4, 1986, at 2:30 p.m., will be:

1. Consideration of whether to issue a release adopting amendments to Securities Exchange Act Rule 15c3-1 that would expand the types of instruments that could be used to create a hedged position in highly rated corporate debt securities. The amendments would also lower the deductions from net worth in arriving at net capital for hedged corporate debt securities positions and would redefine the criteria for determining whether the maturities of two offsetting positions are close enough to consider the combined corporate debt securities position as hedged for purposes of Rule 15c3-1. For further information, please contact Michael P. Jamroz at (202) 272-2398.

2. Consideration of whether to issue a release adopting amendments to its proxy rules, including application of the integrated disclosure system. The Commission will also consider publishing for public comment further amendments to the proxy rules. For further information, please contact Caroline W. Dixon at (202) 272-2589.

The subject matter of the closed meeting scheduled for Tuesday, November 4, 1986, following the 2:30 p.m. open meeting, will be:

- To withdraw administrative proceeding of an enforcement nature.
- Settlement of administrative proceedings of an enforcement nature.
- Institution of administrative proceedings of an enforcement nature.
- Settlement of injunctive action.
- Close investigation.
- Chapter 11 proceeding.

At times changes in Commission priorities require alterations in the



scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: Jacqueline Higgs at (202) 272-2149.

Jonathan G. Katz,  
Secretary.

October 24, 1986.

[FR Doc. 86-24562 Filed 10-22-86; 1:54 pm]

BILLING CODE 8010-01-M

## 15

### TENNESSEE VALLEY AUTHORITY

(Meeting No. 1377)

**TIME AND DATE:** 10:30 a.m. (EST), Friday, October 31, 1986.

**PLACE:** TVA West Tower Auditorium, 400 West Summit Hill Drive, Knoxville, Tennessee.

**STATUS:** Open.

#### Agenda

Approval of minutes of meeting held in October 8, 1986.

#### Discussion Item

1. Polychlorinated Biphenyls (PCB) Contamination in TVA Reservoirs.

#### Action Items

##### A—Budget and Financing

A1. Modification of Fiscal Year 1987 Capital Budget Financed from Power Proceeds and Borrowings—Replacement of Unit 1 Upper Horizontal Reheater Tubes and Construction of Metal-Cleaning Waste Treatment Pond at Cumberland Fossil Plant; Replacement of Combustion Controls and Fuel Ignition System and Modification of Coal Burners in Units 7 and 8 at Widows Creek Fossil Plant; and Replacement of

Secondary Superheater Outlet Headers on Units 1, 2, and 3 at Allen Fossil Plant.

##### B—Purchase Awards

B1. Negotiation NQ-452374—Indefinite Quantity Term Agreement for Genuine Ingersoll-Rand Company Pump Parts for Various TVA Nuclear Plants.

##### C—Power Items

C1. Arrangements with Georgia Power Company for Establishment of an Additional 115-kV Delivery Point to TVA To Be Used to Deliver Power and Energy for TVA's Account to New Substation Being Constructed by North Georgia Electric Membership Corporation and to Update TVA's Interchange Agreement with Georgia Power Company.

C2. Letter Agreement with Tippah Electric Power Association, Ripley, Mississippi, Covering Arrangements for Construction of Cooperative's East Ripley 161-kV Substation and for Consolidated 161-kV Delivery.

C3. Time-of-Day Seasonal Power Rate Schedule.

C4. Form Agreement Covering Capacitor Arrangements Associated with Implementation of Reactive Power Billing as a Part of the 1986 Rate Change.

##### D—Personnel Items

D1. Supplemental to Personal Services Contract No. TV-68867A with Coopers & Lybrand, Knoxville, Tennessee, for Professional Accounting and Specialized Consultation Services. Requested by the Comptroller.

D2. Supplement to Personal Services Contract No. TV-69344A with Coopers & Lybrand, Knoxville, Tennessee, for Services of Qualified Personnel to Provide Assistance to TVA in the Design and Implementation of an Accounting Information System. Requested by the Comptroller.

##### E—Real Property Transactions

E1. Acquisition of Flowage Easement Rights Affecting 101 Acres of Privately Owned Lands in Jackson County, Alabama,

in Connection with a Wetlands Development Project at the Mud Creek Wildlife Management Area on Guntersville Reservoir—Tract Nos. GR-1880F and GR-1881F.

##### F—Unclassified

\* F1. Appointment of Acting Designated Agency Ethics Official.

\* Item approved by individual Board members. This would give formal ratification to the Board's action.

F2. Supplemental to Contract No. TV-69212A Between TVA and Tennessee Department of Labor Providing for Training and Placement Services for Displaced Workers at the Tennessee Chemical Company's Copper Hill Location.

F3. Contract No. TV-70695A Between TVA and Knoxville College Covering Arrangements for an Economic and Skills Development Project in the Knoxville Area.

F4. Contract No. TV-70903A Between TVA and Auburn University Covering Arrangements for Cooperative Research Activities Relating to an Alternate Feed Source for Cattle.

F5. Supplement to Interagency Agreement with Department of Energy (DOE) Covering Arrangements for Technical Assistance to DOE's Fuel Alcohol Loan Guarantee Program—Contract TV-59591A.

#### CONTACT PERSON FOR MORE

**INFORMATION:** Craven H. Crowell, Jr., Director of Information, or a member of his staff can respond to requests for information about this meeting. Call (615) 632-8000, Knoxville, Tennessee. Information is also available at TVA's Washington Office (202) 245-0101.

Dated: October 24, 1986.

W.F. Willis,

General Manager.

[FR Doc. 86-24500 Filed 10-27-86; 8:53 am]

BILLING CODE 8120-01-M



# 5010-108-01 FEDERAL REGISTER

Wednesday  
October 29, 1986

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## Part II

### Department of the Treasury

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#### Bureau of Alcohol, Tobacco and Firearms

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27 CFR Parts 72, 178, and 179  
Alcohol, Tobacco, and Other Excise  
Taxes; Commerce in Firearms and  
Ammunition



## DEPARTMENT OF THE TREASURY

## Bureau of Alcohol, Tobacco and Firearms

## 27 CFR Parts 72, 178, and 179

(T.D. ATF-241)

## Commerce in Firearms and Ammunition; Temporary Rule

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

**ACTION:** Temporary rule (Treasury decision).

**SUMMARY:** This temporary rule amends regulations in 27 CFR Parts 72, 178 and 179, relating to firearms, to implement provisions of Public Law 99-308 (100 Stat. 449), approved May 19, 1986, and a subsequent amendment thereto, Public Law 99-360 (100 Stat. 766), approved July 8, 1986. These regulations implement the law to delete licensing requirements and recordkeeping for ammunition transactions and implement the law restricting distribution of machine guns. In the Proposed Rules portion of this *Federal Register*, ATF is issuing a notice of proposed rulemaking inviting comments on the temporary rule for a 90-day period after the publication date of this temporary rule.

**DATES:** The temporary regulations are effective on November 15, 1986, except for §§ 178.36 and 179.105 relating to machine guns which were effective May 19, 1986.

**ADDRESS:** Send written comments to: Chief, Firearms and Explosives Operations Branch, Bureau of Alcohol, Tobacco and Firearms, P.O. Box 189, Washington, DC 20044-0189.

**FOR FURTHER INFORMATION CONTACT:** Daniel E. Crowley, ATF Specialist, Firearms and Explosives Operations Branch, Bureau of Alcohol, Tobacco and Firearms, Ariel Rios Federal Building, 1200 Pennsylvania Avenue, NW, Washington, DC 20226; (202) 566-7591.

**SUPPLEMENTARY INFORMATION:** This temporary rule implements provisions of Pub. L. 99-308 and Pub. L. 99-360, which amend several provisions of the Gun Control Act of 1968, chapter 44 (relating to firearms) of title 18, United States Code. Numerous changes have been made in 27 CFR Parts 72, 178 and 179 to implement the statutory changes. Some of the new statutory provisions which necessitated regulation changes are:

(1) Nonlicensees may acquire rifles and shotguns, but not handguns, from Federal firearms licensees outside their State of residence if the sale complies with State and local laws applicable at

the place of sale and where the purchaser resides. The interstate shipment or delivery of firearms to nonlicensees is still prohibited.

(2) The licensing requirement for those dealing in ammunition only is eliminated. Ammunition recordkeeping requirements for a firearms licensee are eliminated except for recording the name, age and place of residence of an armor-piercing ammunition purchaser and a description of the ammunition. Licenses are required of manufacturers and importers of ammunition.

(3) For licensing and other purposes under the Gun Control Act, the term "engaged in the business" is now defined as those who regularly deal in firearms with the "principal objective of livelihood and profit" through the "repetitive purchase and resale of firearms."

(4) There is specific statutory authority allowing licensees to deal in firearms at gun shows located in the State in which their licensed premises are located.

(5) Licensed manufacturers, licensed importers and licensed dealers need only maintain a "bound book" record of disposition of "personal firearms" where the firearm has been kept in the licensee's personal collection for one year after its transfer from the business inventory or otherwise acquired. The requirement for licensees to obtain an ATF Form 4473 covering such sales is eliminated. The sale is otherwise subject only to the requirements imposed on unlicensed persons selling firearms.

(6) Licensed collectors need only maintain a "bound book" record of firearms transactions and the requirement for licensed collectors to obtain an ATF Form 4473 is eliminated.

(7) An inspection warrant is now required to inspect the records and inventory of licensed manufacturers, licensed importers and licensed dealers except for a criminal investigation of a person other than the licensee, one annual inspection, or in firearms tracing. An inspection warrant is now required to inspect the records and collection of curio or relic firearms of licensed collectors except for one annual inspection or in firearms tracing.

(8) All persons, whether licensed or not, are prohibited from selling or delivering firearms to those persons specifically prohibited from shipping, transporting, receiving or possessing firearms.

(9) Relief from Federal firearms disabilities may be applied for by any proscribed person and the bar to relief is removed for felons whose crimes involved the use of a firearm or other weapon, or whose conviction was for a

violation of the Gun Control Act or the National Firearms Act.

(10) Effective May 19, 1986, the possession or transfer of a machine gun is prohibited except for (a) a transfer to or by, or possession by or under the authority of, Government entities, or (b) any lawful transfer or lawful possession of a machine gun lawfully possessed before May 19, 1986.

(11) Revised and streamlined license revocation procedures are provided for in view of *de novo* review of the agency action by the United States district courts.

## Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act relating to an initial and final regulatory flexibility analysis (5 U.S.C. 603, 604) are not applicable to this temporary rule because it is not required to be preceded by a notice of proposed rulemaking under 5 U.S.C. 553 or any other law.

## Executive Order 12291

In compliance with Executive Order 12291, 46 FR 13193 (1981), ATF has determined that this temporary rule is not a "major rule" since it will not result in:

- (a) An annual effect on the economy of \$100 million or more;
- (b) A major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions; or
- (c) Significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

## Paperwork Reduction Act

The collection of information contained in this temporary rule have been reviewed and approved by the Office of Management and Budget for review under Sec. 3507 of the Paperwork Reduction Act of 1980, Pub. L. 96-511, 44 U.S.C. Chapter 35.

## Drafting Information

The principal author of this document is Daniel E. Crowley, ATF Specialist, Firearms and Explosives Operations Branch, Bureau of Alcohol, Tobacco and Firearms.

## Administrative Procedure Act

Because most of the provisions of Pub. L. 99-308 and Pub. L. 99-360 become effective on November 15, 1986, and some provisions relating to machine guns became effective on May 19, 1986,



and require immediate implementation and compliance by licensees and the public, it is hereby found to be impractical and unnecessary to issue this Treasury decision with notice and public procedure thereon under 5 U.S.C. 553(b) or subject to the effective date limitation of 5 U.S.C. 553(d).

#### List of Subjects

##### 27 CFR Part 72

Administrative practice and procedure, Authority delegation, Seizures and forfeitures, Surety bonds.

##### 27 CFR Part 178

Administrative practice and procedure, Arms and munitions, Authority delegation, Customs duties and inspection, Exports, Imports, Military personnel, Penalties, Reporting requirements, Research, Seizures and forfeitures, Transportation.

##### 27 CFR Part 179

Administrative practice and procedure, Arms and munitions, Authority delegation, Customs duties and inspection, Exports, Imports, Military personnel, Penalties, Reporting requirements, Research, Seizures and forfeitures, Transportation.

#### Authority and Issuance

Accordingly, ATF is issuing a temporary rule to amend Title 27 of the Code of Federal Regulations and, by a notice of proposed rulemaking published in this *Federal Register*, is requesting comments by January 27, 1987.

#### PART 72—[AMENDED]

**Paragraph 1.** The authority citation for Part 72 continues to read as follows:

Authority: Sec. 8, 53 Stat. 1293, sec. 1, 62 Stat. 761, as amended, sec. 7805, 68A Stat. 917, sec. 921, 82 Stat. 1214; 49 U.S.C. App. 788, 18 U.S.C. 1261, 26 U.S.C. 7805, 18 U.S.C. 926, unless otherwise noted.

**Par. 2.** The table of contents to 27 CFR Part 72 is amended to revise the heading of Subpart F and to add a new § 72.69 to read as follows:

Sec.  
\* \* \* \* \*  
Subpart F—Administrative Sale or  
Disposition of Personal Property  
\* \* \* \* \*

§ 72.69 Alternate disposition of seized  
carriers.  
\* \* \* \* \*

**Par. 3.** Section 72.21 is revised to designate the existing section as paragraph (a) and to add new paragraphs (b) and (c) concerning the commencement of forfeiture proceedings with respect to seized firearms and ammunition. As revised, § 72.21 reads as follows:

#### § 72.21 Personal property and carriers subject to seizure.

(a) Personal property may be seized by duly authorized ATF officers for forfeiture to the United States when involved, used, or intended to be used, in violation of the laws of the United States which ATF officers are empowered to enforce, including Title 18 U.S.C. Chapters 40 (explosives), 44 (firearms), 59 (liquor traffic), 114 (contraband cigarettes), 229 (liquor); Title 26 U.S.C. Chapters 51 (distilled spirits), 52 (tobacco), 53 (firearms); and Title 27 U.S.C. 206 (liquor). Carriers, as defined in § 72.11, similarly may be seized when used in violation of Title 49 U.S.C. App., Chapter 11 (transportation) et cetera of contraband firearms or contraband cigarettes.

(b) Any action or proceeding for the forfeiture of firearms or ammunition seized under 18 U.S.C. Chapter 44 shall be commenced within 120 days of such seizure.

(c) Upon acquittal of the owner or possessor, or the dismissal of the criminal charges against such person other than upon motion of the Government prior to trial, firearms or ammunition seized under 18 U.S.C. Chapter 44 shall be returned forthwith to the owner or possessor or to a person delegated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or his delegate in violation of law.

**Par. 4.** Section 72.22 is revised to change "\$10,000.00" to "\$100,000.00" in paragraphs (a)(1), (4), (5) and (b), and paragraph (a)(6) is amended to change the amount of the cost bond for seized property. As revised, § 72.22(a)(6) reads as follows:

#### § 72.22 Forfeiture of seized personal property and carriers.

(a) *Administrative forfeiture.* \* \* \*  
(6) Any person claiming the personal property or carrier so seized, within the time specified in the notice, may file with the Director a claim stating the interest in the articles or carrier seized, and may execute a bond to the United States, conditioned that, in case of

condemnation of the articles or carrier so seized, the obligators shall pay all the costs and expenses of the proceedings to obtain such condemnation. The amount of the cost bond is \$250.00, unless the seized property is a vehicle, vessel, or aircraft seized for a violation of 49 U.S.C. App., Chapter 11, in which case the cost bond shall be in the amount of \$2,500 or ten percent of the value of the claimed property, whichever is lower, but not less than \$250.00. Both the claim and the cost bond shall be executed in quadruplicate.  
\* \* \* \* \*

**Par. 5.** The centerhead for Subpart F is revised and § 72.61 is amended by designating the existing section as paragraph (a), by adding a heading for new paragraph (a), and by adding a new paragraph (b), to read as follows:

#### Subpart F—Administrative Sale or Disposition of Personal Property

##### § 72.61 Alternative methods of sale.

(a) *Sale by auction or competitive bid.* When personal property or a carrier  
\* \* \*

(b) *Sale by General Services Administration.* When a vessel, vehicle, or aircraft seized under 49 U.S.C. App., Chapter 11 is forfeited administratively, the Director may authorize the General Services Administration to conduct the sale pursuant to such conditions as the Director deems proper.

**Par. 6.** Section 72.69 is added to Subpart F to provide for an alternate disposition of seized carriers. New § 72.69 reads as follows:

#### § 72.69 Alternative disposition of seized carriers.

(a) *State or local proceedings.* The Director may discontinue forfeiture proceedings instituted under the Customs laws for seizures of carriers under 49 U.S.C. App., Chapter 11 in favor of the institution of forfeiture proceedings by State or local authorities under an appropriate State or local statute. If such forfeiture proceedings are discontinued or dismissed, the Director may transfer the seized property to the appropriate State or local official, and notice of discontinuance or dismissal shall be provided to all known interested parties.

(b) *Transfer to State or local law enforcement agency.* Any carrier forfeited under the Customs laws for seizures under 49 U.S.C. App., Chapter 11 may be transferred by the Director to any State or local law enforcement



agency which participated directly in the seizure or forfeiture of the property.  
(19 U.S.C. 1616)

## PART 178—[AMENDED]

Par. 7. The authority citation for Part 178 is revised to read as follows:

Authority: 18 U.S.C. 926.

Par. 8. The headings to many sections in 27 CFR Part 178 have changed. Therefore, the table of contents to 27 CFR Part 178 is revised to read as follows:

## PART 178—COMMERCE IN FIREARMS AND AMMUNITION

### Subpart A—Introduction

- Sec.  
178.1 Scope of regulations.  
178.2 Relation to other provisions of law.

### Subpart B—Definitions

- 178.11 Meaning of terms.

### Subpart C—Administrative and Miscellaneous Provisions

- 178.21 Forms prescribed.  
178.22 Alternate methods or procedures; emergency variations from requirements.  
178.23 Right of entry and examination.  
178.24 List of State laws and published ordinances.  
178.25 Disclosure of information.  
178.26 Curio and relic determination.  
178.27 Destructive device determination.  
178.28 Transportation of destructive devices and certain firearms.  
178.29 Out-of-State acquisition of firearms by nonlicensees.  
178.30 Out-of-State disposition of firearms by nonlicensees.  
178.31 Delivery by common or contract carrier.  
178.32 Prohibited shipment, transportation, possession, or receipt of firearms and ammunition by certain persons.  
178.33 Stolen firearms and ammunition.  
178.34 Removed, obliterated, or altered serial number.  
178.35 Skeet, trap, target, and similar shooting activities.  
178.36 Transfer or possession of machine guns.

### Subpart D—Licenses

- 178.41 General.  
178.42 License fees.  
178.43 License fee not refundable.  
178.44 Original license.  
178.45 Renewal of license.  
178.46 Insufficient fee.  
178.47 Issuance of license.  
178.48 Correction of error on license.  
178.49 Duration of license.  
178.50 Locations covered by license.  
178.51 License not transferable.  
178.52 Change of address.  
178.53 Change in trade name.  
178.54 Change of control.  
178.55 Continuing partnerships.  
178.56 Right of succession by certain persons.

- Sec.  
178.57 Discontinuance of business.  
178.58 State or other law.  
178.59 Abandoned application.  
178.60 Certain continuances of business.

### Subpart E—License Proceedings

- 178.71 Denial of an application for license.  
178.72 Hearing after application denial.  
178.73 Notice of revocation.  
178.74 Request for hearing after notice of revocation.  
178.75 Service on applicant or licensee.  
178.76 Representation at a hearing.  
178.77 Designated place of hearing.  
178.78 Operations by licensees after notice.

### Subpart F—Conduct of Business

- 178.91 Posting of license.  
178.92 Identification of firearms.  
178.93 Authorized operations by a licensed collector.  
178.94 Sales or deliveries between licensees.  
178.95 Certified copy of license.  
178.96 Out-of-State and mail order sales.  
178.97 Loan or rental of firearms.  
178.98 Sales or deliveries of destructive devices and certain firearms.  
178.99 Certain prohibited sales or deliveries.  
178.100 Conduct of business away from licensed premises.  
178.101 Record of transactions.

### Subpart G—Importation

- 178.111 General.  
178.112 Importation by a licensed importer.  
178.113 Importation by other licensees.  
178.114 Importation by members of the U.S. Armed Forces.  
178.115 Exempt importation.  
178.116 Conditional importation.  
178.117 Function outside a customs territory.  
178.118 Importation of certain firearms classified as curios and relics.

### Subpart H—Records

- 178.121 General.  
178.122 Records maintained by importers.  
178.123 Records maintained by manufacturers.  
178.124 Firearms transaction record.  
178.125 Record of receipt and disposition.  
178.125a Personal firearms collection.  
178.126 Furnishing transaction information.  
178.126a Reporting multiple sales or other disposition of pistols and revolvers.  
178.127 Discontinuance of business.  
178.128 False statement or representation.  
178.129 Record retention.

### Subpart I—Exemptions, Seizures, and Forfeitures

- 178.141 General.  
178.142 Effect of pardons and expunctions of convictions.  
178.143 Relief from disabilities incurred by indictment.  
178.144 Relief from disabilities under the Act.  
178.145 Research organizations.  
178.146 Deliveries by mail to certain persons.  
178.147 Return of firearm.  
178.148 Armor-piercing ammunition intended for sporting or industrial purposes.

- Sec.  
178.149 Seizure and forfeiture.

### Subpart J—[Reserved]

### Subpart K—Exportation

- 178.171 Exportation.

Par. 9. Section 178.1 is revised to include a reference to Pub. L. 99-308 and 99-360 and remove a reference to the Federal Firearms Act provisions. As revised, § 178.1 reads as follows:

#### § 178.1 Scope of regulations.

(a) *General.* The regulations contained in this part relate to commerce in firearms and ammunition and are promulgated to implement Title I, State Firearms Control Assistance (18 U.S.C. Chapter 44), of the Gun Control Act of 1968 (82 Stat. 1213) as amended by Pub. L. 99-308 (100 Stat. 449) and Pub. L. 99-360 (100 Stat. 766).

(b) *Procedural and substantive requirements.* This part contains the procedural and substantive requirements relative to:

- (1) The interstate or foreign commerce in firearms and ammunition;
- (2) The licensing of manufacturers and importers of firearms and ammunition, collectors of firearms, and dealers in firearms;
- (3) The conduct of business or activity by licensees;
- (4) The importation of firearms and ammunition;
- (5) The records and reports required of licensees;
- (6) Relief from disabilities under this part; and
- (7) Exempt interstate and foreign commerce in firearms and ammunition.

Par. 10. Section 178.2 is revised to change a citation. As revised, § 178.2 reads as follows:

#### § 178.2 Relation to other provisions of law.

The provisions in this part are in addition to, and are not in lieu of, any other provision of law, or regulations, respecting commerce in firearms or ammunition. For regulations applicable to traffic in machine guns, destructive devices, and certain other firearms, see Part 179 of this chapter. For statutes applicable to the registration and licensing of persons engaged in the business of manufacturing, importing or exporting arms, ammunition, or implements of war, see section 38 of the Arms Export Control Act (22 U.S.C. 2778) and regulations thereunder and Part 47 of this chapter. For statutes applicable to nonmailable firearms, see 18 U.S.C. 1715 and regulations thereunder.

Par. 11. Section 178.11 is amended by revising the definitions for Business



premises, Collector, Crime punishable by imprisonment for a term exceeding 1 year, Curios or relics, Dealer, Importer, Licensed dealer, Licensed importer, Licensed manufacturer, Machine gun, Manufacturer, and Pawnbroker; adding the definitions for Armor-piercing ammunition, Engaged in the business, Firearm muffler or firearm silencer, and Principal objective of livelihood and profit; and by removing the definition for Service Center Director, to read as follows:

#### § 178.11 Meaning of terms.

**Armor-piercing ammunition.** Projectiles or projectile cores which may be used in a handgun and which are constructed entirely (excluding the presence of traces or other substances) from one or a combination of tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium. The term does not include shotgun shot required by Federal or State environmental or game regulations for hunting purposes, frangible projectiles designed for target shooting, projectiles which the Director finds are primarily intended to be used for sporting purposes, or any other projectiles or projectile cores which the Director finds are intended to be used for industrial purposes, including charges used in oil and gas well perforating devices.

**Business premises.** The property on which the manufacturing or importing of firearms or ammunition or the dealing in firearms is or will be conducted. A private dwelling, no part of which is open to the public, shall not be recognized as coming within the meaning of the term.

**Collector.** Any person who acquires, holds, or disposes of firearms as curios or relics.

**Crime punishable by imprisonment for a term exceeding 1 year.** Any offense for which the maximum penalty, whether or not imposed, is capital punishment or imprisonment in excess of 1 year. The term shall not include (a) any Federal or State offenses pertaining to antitrust violations, unfair trade practices, restraints of trade, or other similar offenses relating to the regulation of business practices or (b) any State offense classified by the laws of the State as a misdemeanor and punishable by a term of imprisonment of 2 years or less. What constitutes a conviction of such a crime shall be determined in accordance with the law of the jurisdiction in which the

proceedings were held. Any conviction which has been expunged or set aside or for which a person has been pardoned or has had civil rights restored shall not be considered a conviction for the purposes of the Act or this part, unless such pardon, expunction, or restoration of civil rights expressly provides that the person may not ship, transport, possess, or receive firearms, or unless the person is prohibited by law of the jurisdiction in which the proceedings were held from possessing any firearms.

**Curios or relics.** Firearms which are of special interest to collectors by reason of some quality other than firearms intended for sporting use or as offensive or defensive weapons. To be recognized as curios or relics, firearms must fall within one of the following categories:

(a) Firearms which were manufactured at least 50 years prior to the current date, but not including replicas thereof;

(b) Firearms which are certified by the curator of a municipal, State, or Federal museum which exhibits firearms to be curios or relics of museum interest; and

(c) Any other firearms which derive a substantial part of their monetary value from the fact that they are novel, rare, bizarre, or because of their association with some historical figure, period, or event. Proof of qualification of a particular firearm under this category may be established by evidence of present value and evidence that like firearms are not available except as collector's items, or that the value of like firearms available in ordinary commercial channels is substantially less.

**Dealer.** Any person engaged in the business of selling firearms at wholesale or retail; any person engaged in the business of repairing firearms or of making or fitting special barrels, stocks, or trigger mechanisms to firearms; or any person who is a pawnbroker. The term shall include any person who engages in such business or occupation on a part-time basis.

**Engaged in the business—(a)**

**Manufacturer of firearms.** A person who devotes time, attention, and labor to manufacturing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms manufactured;

(b) **Manufacturer of ammunition.** A person who devotes time, attention, and labor to manufacturing ammunition as a regular course of trade or business with the principal objective of livelihood and

profit through the sale or distribution of the ammunition manufactured;

(c) **Dealer in firearms other than a gunsmith or a pawnbroker.** A person who devotes time, attention, and labor to dealing in firearms as a regular course of trade or business with the principal objective of livelihood and profit through the repetitive purchase and resale of firearms, but such a term shall not include a person who makes occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby, or who sells all or part of his personal collection of firearms;

(d) **Gunsmith.** A person who devotes time, attention, and labor to engaging in such activity as a regular course of trade or business with the principal objective of livelihood and profit, but such a term shall not include a person who makes occasional repairs of firearms or who occasionally fits special barrels, stocks, or trigger mechanisms to firearms;

(e) **Importer of firearms.** A person who devotes time, attention, and labor to importing firearms as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the firearms imported; and,

(f) **Importer of ammunition.** A person who devotes time, attention, and labor to importing ammunition as a regular course of trade or business with the principal objective of livelihood and profit through the sale or distribution of the ammunition imported.

**Firearm muffler or firearm silencer.** Any device for silencing, muffling, or diminishing the report of a portable firearm, including any combination of parts, designed or redesigned, and intended for use in assembling or fabricating a firearm silencer or firearm muffler, and any part intended only for use in such assembly or fabrication.

**Importer.** Any person engaged in the business of importing or bringing firearms or ammunition into the United States. The term shall include any person who engages in such business on a part-time basis.

**Licensed dealer.** A dealer licensed under the provisions of this part.

**Licensed importer.** An importer licensed under the provisions of this part.

**Licensed manufacturer.** A manufacturer licensed under the provisions of this part.

**Machine gun.** Any weapon which shoots, is designed to shoot, or can be readily restored to shoot, automatically



more than one shot, without manual reloading, by a single function of the trigger. The term shall also include the frame or receiver of any such weapon, any part designed and intended solely and exclusively, or combination of parts designed and intended, for use in converting a weapon into a machine gun, and any combination of parts from which a machine gun can be assembled if such parts are in the possession or under the control of a person.

**Manufacturer.** Any person engaged in the business of manufacturing firearms or ammunition. The term shall include any person who engages in such business on a part-time basis.

**Pawnbroker.** Any person whose business or occupation includes the taking or receiving, by way of pledge or pawn, of any firearm as security for the payment or repayment of money. The term shall include any person who engages in such business on a part-time basis.

\* \* \* \* \*

**Principal objective of livelihood and profit.** The intent underlying the sale or disposition of firearms is predominantly one of obtaining livelihood and pecuniary gain, as opposed to other intents such as improving or liquidating a personal firearms collection: *Provided*, That proof of profit shall not be required as to a person who engages in the regular and repetitive purchase and disposition of firearms for criminal purposes or terrorism. For purposes of this part, the term "terrorism" means activity, directed against United States persons, which—

(a) is committed by an individual who is not a national or permanent resident alien of the United States;

(b) involves violent acts or acts dangerous to human life which would be a criminal violation if committed within the jurisdiction of the United States; and

(c) is intended—

(1) to intimidate or coerce a civilian population;

(2) to influence the policy of a government by intimidation or coercion; or

(3) to affect the conduct of a government by assassination or kidnapping.

\* \* \* \* \*

**Par. 12.** Paragraph (c) of § 178.21 is revised to change the address at which ATF forms may be obtained. As revised, § 178.21(c) reads as follows:

**§ 178.21 Forms prescribed.**

\* \* \* \* \*

(c) Requests for forms should be mailed to the ATF Distribution Center,

7943 Angus Court, Springfield, Virginia 22153.

\* \* \* \* \*

**Par. 13.** Section 178.22 is revised to allow alternate methods and procedures in addition to emergency variations from requirements. As revised, § 178.22 reads as follows:

**§ 178.22 Alternate methods or procedures; emergency variations from requirements.**

(a) *Alternate methods or procedures.* The licensee, on specific approval by the Director as provided in this paragraph, may use an alternate method or procedure in lieu of a method or procedure specifically prescribed in this part. The Director may approve an alternate method or procedure, subject to stated conditions, when it is found that:

(1) Good cause is shown for the use of the alternate method or procedure;

(2) The alternate method or procedure is within the purpose of, and consistent with the effect intended by, the specifically prescribed method or procedure and that the alternate method or procedure is substantially equivalent to that specifically prescribed method or procedure; and

(3) The alternate method or procedure will not be contrary to any provision of law and will not result in an increase in cost to the Government or hinder the effective administration of this part. Where the licensee desires to employ an alternate method or procedure, a written application shall be submitted to the appropriate Regional director (compliance), for transmittal to the Director. The application shall specifically describe the proposed alternate method or procedure and shall set forth the reasons for it. Alternate methods or procedures may not be employed until the application is approved by the Director. The licensee shall, during the period of authorization of an alternate method or procedure, comply with the terms of the approved application. Authorization of any alternate method or procedure may be withdrawn whenever, in the judgment of the Director, the effective administration of this part is hindered by the continuation of the authorization.

(b) *Emergency variations from requirements.* The Director may approve a method of operation other than as specified in this part, where it is found that an emergency exists and the proposed variation from the specified requirements are necessary and the proposed variations: (1) Will not hinder the effective administration of this part, and (2) will not be contrary to any provisions of law. Variations from

requirements granted under this paragraph are conditioned on compliance with the procedures, conditions, and limitations set forth in the approval of the application. Failure to comply in good faith with the procedures, conditions, and limitations shall automatically terminate the authority for the variations, and the licensee shall fully comply with the prescribed requirements of regulations from which the variations were authorized. Authority for any variation may be withdrawn whenever, in the judgment of the Director, the effective administration of this part is hindered by the continuation of the variation. Where the licensee desires to employ an emergency variation, a written application shall be submitted to the appropriate Regional director (compliance) for transmittal to the Director. The application shall describe the proposed variation and set forth the reasons for it. Variations may not be employed until the application is approved.

(c) *Retention of approved variations.* The licensee shall retain, as part of the licensee's records, available for examination by ATF officers, any application approved by the Director under this section.

**Par. 14.** Section 178.23 is revised to reflect the right of entry and examination of licensees' premises by ATF officers. As revised, § 178.23 reads as follows:

**§ 178.23 Right of entry and examination.**

(a) Except as provided in paragraph (b), any ATF officer, when there is reasonable cause to believe a violation of the Act has occurred and that evidence of the violation may be found on the premises of any licensed manufacturer, licensed importer, licensed dealer, or licensed collector, may, upon demonstrating such cause before a Federal magistrate and obtaining from the magistrate a warrant authorizing entry, enter during business hours the premises, including places of storage, of any such licensee for the purpose of inspecting or examining: (1) Any records or documents required to be kept by such licensee under this part and (2) any firearms or ammunition kept or stored by any such licensee at such premises.

(b) Any ATF officer, without having reasonable cause to believe a violation of the Act has occurred or that evidence of the violation may be found and without demonstrating such cause before a Federal magistrate or obtaining from the magistrate a warrant authorizing entry, may enter during



business hours the premises, including places of storage, of any licensed manufacturer, licensed importer, or licensed dealer for the purpose of inspecting or examining the records, documents and firearms referred to in paragraph (a) of this section:

(1) In the course of a reasonable inquiry during the course of a criminal investigation of a person or persons other than the licensee;

(2) For insuring compliance with the recordkeeping requirements of this part not more than once during any 12-month period; or

(3) When such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a criminal investigation.

(c) Any ATF officer, without having reasonable cause to believe a violation of the Act has occurred or that evidence of the violation may be found and without demonstrating such cause before a Federal magistrate or obtaining from the magistrate a warrant authorizing entry, may enter during business hours the premises, including places of storage, of any licensed collector for the purpose of inspecting or examining the records, documents and firearms referred to in paragraph (a) of this section:

(1) For ensuring compliance with the recordkeeping requirements of this part not more than once during any 12-month period or (2) When such inspection or examination may be required for determining the disposition of one or more particular firearms in the course of a criminal investigation.

At the election of the licensed collector, the annual inspection permitted by this paragraph shall be performed at the ATF office responsible for conducting such inspection in closest proximity to the collection premises.

(d) The inspections and examinations provided by this section do not authorize an ATF officer to seize any records or documents other than those records or documents constituting material evidence of a violation of law. If an ATF officer seizes such records or documents, copies shall be provided the licensee within a reasonable time.

Par. 15. Section 178.24 is revised to reflect the publication of State laws and published ordinances. As revised, § 178.24 reads as follows:

**§ 178.24 List of State laws and published ordinances.**

(a) The Director shall annually revise and furnish to Federal firearms licensees a list of State laws and published ordinances which are relevant to the enforcement of this part. The Director

annually revises the list and publishes it as "State Laws and Published Ordinances—Firearms" which is furnished free of charge to licensees under this part. Where the list has previously been furnished to licensees, the Director need only furnish amendments of the relevant laws and ordinances to such licensees.

(b) "State Laws and Published Ordinances—Firearms" is incorporated by reference in this part. It is ATF Publication 5300.5, revised yearly. The current edition is for sale from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. It is also available for inspection at the Office of the Federal Register, Room 8401, 1100 L Street, NW, Washington, DC. This incorporation by reference was approved by the Director of the Federal Register.

Par. 16. Section 178.25 is revised to prescribe the requirements for disclosure of information from the records of licensees to law enforcement agencies. As revised, § 178.25 reads as follows:

**§ 178.25 Disclosure of information.**

The Regional director (compliance) may make available to any Federal, State or local law enforcement agency any information which is obtained by reason of the provisions of the Act with respect to the identification of persons prohibited from purchasing or receiving firearms or ammunition who have purchased or received firearms or ammunition, together with a description of such firearms or ammunition. Upon the request of any Federal, State or local law enforcement agency, the Regional director (compliance) may provide such agency any information contained in the records required to be maintained by the Act or this part.

Par. 17. Section 178.26 is revised to remove reference to ammunition. As revised, § 178.26 reads as follows:

**§ 178.26 Curio and relic determination.**

A licensed collector who desires to obtain a determination whether a particular firearm is a curio or relic shall submit a written request, in duplicate, for a ruling thereon to the Director. Each such request shall be executed under the penalties of perjury and shall contain a complete and accurate description of the firearm, and such photographs, diagrams, or drawings as may be necessary to enable the Director to make a determination. The Director may require the submission of the firearm for examination and evaluation. If the submission of the firearm is impractical, the licensed collector shall so advise the

Director and designate the place where the firearm will be available for examination and evaluation.

Par. 18. Section 178.29 is revised to provide for nonlicensees' acquisition of rifles and shotguns out-of-State from licensees. As revised, § 178.29 reads as follows:

**§ 178.29 Out-of-State acquisition of firearms by nonlicensees.**

No person, other than a licensed importer, licensed manufacturer, licensed dealer, or licensed collector, shall transport into or receive in the State where the person resides (or if a corporation or other business entity, where it maintains a place of business) any firearm purchased or otherwise obtained by such person outside that State: *Provided*, That the provisions of this section:

(a) Shall not preclude any person who lawfully acquires a firearm by bequest or intestate succession in a State other than his State of residence from transporting the firearm into or receiving it in that State, if it is lawful for such person to purchase or possess such firearm in that State, and

(b) Shall not apply to the transportation or receipt of a rifle or shotgun obtained from a licensed manufacturer, licensed importer, licensed dealer, or licensed collector in a State other than the transferee's State of residence in an over-the-counter transaction at the licensee's premises obtained in conformity with the provisions of § 178.97.

Par. 19. Section 178.32 is revised to reflect changes in the categories of persons prohibited from possessing and receiving firearms and ammunition. As revised, § 178.32 reads as follows:

**§ 178.32 Prohibited shipment, transportation, possession, or receipt of firearms and ammunition by certain persons.**

(a) No person may ship or transport any firearm or ammunition in interstate or foreign commerce, or receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce, or possess any firearm or ammunition in or affecting commerce, who:

(1) Has been convicted of a crime punishable by imprisonment for a term exceeding 1 year;

(2) Is a fugitive from justice;

(3) Is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act, 21 U.S.C. 802);

(4) Has been adjudicated as a mental defective or has been committed to a mental institution;



(5) Is an alien illegally or unlawfully in the United States;

(6) Has been discharged from the Armed Forces under dishonorable conditions; or

(7) Having been a citizen of the United States, has renounced citizenship.

(b) No person who is under indictment for a crime punishable by imprisonment for a term exceeding one year may ship or transport any firearm or ammunition in interstate or foreign commerce or receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.

(c) Any individual, who to that individual's knowledge and while being employed by any person described in paragraph (a) of this section, may not in the course of such employment receive, possess, or transport any firearm or ammunition in commerce or affecting commerce or receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.

(d) No person may sell or otherwise dispose of any firearm or ammunition to any person knowing or having reasonable cause to believe that such person:

(1) Is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding 1 year;

(2) Is a fugitive from justice;

(3) Is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act, 21 U.S.C. 802);

(4) Has been adjudicated as a mental defective or has been committed to a mental institution;

(5) Is an alien illegally or unlawfully in the United States;

(6) Has been discharged from the Armed Forces under dishonorable conditions; or

(7) Having been a citizen of the United States, has renounced citizenship.

**Par. 20.** Section 178.36 is added to reflect the prohibitions on the transfer and possession of machine guns. As added, § 178.36 reads as follows:

**§ 178.36 Transfer or possession of machine guns.**

No person shall transfer or possess a machine gun except:

(a) A transfer to or by, or possession by or under the authority of, the United States, or any department or agency thereof, or a State, or a department, agency, or political subdivision thereof (See Part 179 of this chapter); or

(b) Any lawful transfer or lawful possession of a machine gun that was lawfully possessed before May 19, 1986 (See Part 179 of this chapter).

**Par. 21.** Section 178.41 is amended by revising paragraphs (a) and (b) to read as follows:

**§ 178.41 General.**

(a) Each person intending to engage in business as an importer or manufacturer of firearms or ammunition, or a dealer in firearms, shall, before commencing such business, obtain the license required by this subpart for the business to be operated. Each person who desires to obtain the privileges granted by the Act and this part to a licensed collector may obtain such a license under the provisions of this subpart.

(b) Each person intending to engage in business as a firearms or ammunition importer or manufacturer, or dealer in firearms shall file an application, with the required fee (see § 178.42), with ATF in accordance with the instructions on the form (see § 178.44), and, pursuant to § 178.47, receive the license required for such business from the Regional director (compliance). Except as provided in § 178.50, a license must be obtained for each business and each place at which the applicant is to do business. A license as an importer or manufacturer of firearms or ammunition, or a dealer in firearms shall, subject to the provisions of the Act and other applicable provisions of law, entitle the licensee to transport, ship, and receive firearms and ammunition covered by such license in interstate or foreign commerce and to engage in the business specified by the license, at the location described on the license, and for the period stated on the license. However, it shall not be necessary for a licensed importer or a licensed manufacturer to also obtain a dealer's license in order to engage in business on the licensed premises as a dealer in the same type of firearms authorized by his license to be imported or manufactured. Payment of the license fee as an importer or manufacturer of destructive devices or as a dealer in destructive devices includes the privilege of importing or manufacturing firearms other than destructive devices and ammunition for other than destructive devices, or dealing in firearms other than destructive devices, as the case may be, by such a licensee at his licensed premises.

**Par. 22.** Section 178.42 is revised to remove reference to dealing in ammunition. As revised, § 178.42 reads as follows:

**§ 178.42 License fees.**

Each applicant shall pay a fee at a yearly rate for obtaining a firearms license or ammunition license, a

separate fee being required for each business or collecting activity at each place of such business or activity, as follows:

(a) For a manufacturer:

(1) Of destructive devices or ammunition for destructive devices—\$1,000 per year.

(2) Of firearms other than destructive devices—\$50 per year.

(3) Of ammunition for firearms other than destructive devices—\$10 per year.

(b) For an importer:

(1) Of destructive devices or ammunition for destructive devices—\$1,000 per year.

(2) Of firearms other than destructive devices or ammunition for firearms other than destructive devices—\$50 per year.

(c) For a dealer:

(1) In destructive devices—\$1,000 per year.

(2) Who is a pawnbroker dealing in firearms other than destructive devices—\$25 per year.

(3) Who is not a dealer in destructive devices or a pawnbroker—\$10 per year.

(d) For a collector of curios and relics—\$10 per year.

**Par. 23.** Section 178.44 is revised to update the description of ATF forms and the location where forms are sent. As revised, § 178.44 reads as follows:

**§ 178.44 Original license.**

(a) Any person who intends to engage in business as a firearms or ammunition importer or manufacturer, or firearms dealer, or who has not previously been licensed under the provisions of this part to so engage in business, or who has not timely submitted an application for renewal of the previous license issued under this part, shall file an application for license, ATF Form 7 (Firearms), in duplicate, with ATF in accordance with the instructions on the form. The application must be executed under the penalties of perjury and the penalties imposed by 18 U.S.C. 924. The application shall be accompanied by the appropriate fee in the form of money order or check made payable to the Bureau of Alcohol, Tobacco and Firearms. ATF Forms 7 (Firearms) may be obtained from any ATF office.

(b) Any person who desires to obtain the privileges granted to a licensed collector under the Act and this part, or who has not timely submitted an application for renewal of the previous license issued under this part, shall file an application, ATF Form 7 (Firearms), in duplicate, with ATF in accordance with the instructions on the form. The application must be executed under the penalties of perjury and the penalties



imposed by 18 U.S.C. 924. The application shall be accompanied by the appropriate fee in the form of a money order or check made payable to the Bureau of Alcohol, Tobacco and Firearms. ATF Forms 7 (Firearms) may be obtained from any ATF office.

(18 U.S.C. 926 (82 Stat. 1226))

**Par. 24.** Section 178.45 is revised to update the description of ATF forms and change the location where the forms are sent. As revised, § 178.45 reads as follows:

**§ 178.45 Renewal of license.**

If a licensee intends to continue the business or activity described on a license issued under this part during any portion of the ensuing year, the licensee shall, unless otherwise notified in writing by the Regional director (compliance), execute and file prior to the expiration of the license an application for a license renewal, ATF Form 8 Part II, accompanied by the required fee, with ATF in accordance with the instructions on the form. The Regional director (compliance) may, in writing, require the applicant for license renewal to also file completed ATF Form 7 in the manner required by § 178.44. In the event the licensee does not timely file an ATF Form 8 Part II, the licensee must file an ATF Form 7 as required by § 178.44, and obtain the required license before continuing business or collecting activity. If an ATF Form 8 Part II is not timely received through the mails, the licensee should so notify the Regional director (compliance).

(18 U.S.C. 926 (82 Stat. 1226))

**Par. 25.** Section 178.47 is amended by removing paragraph (b)(6) and revising paragraphs (a), (b) introductory text, and (b) (1) and (2) to read as follows:

**§ 178.47 Issuance of license.**

(a) Upon receipt of a properly executed application for a license on ATF Form 7, or ATF Form 8 Part II, the Regional director (compliance) may, upon finding through further inquiry or investigation, or otherwise, that the applicant is entitled thereto, issue the appropriate license. Each license shall bear a serial number and such number may be assigned to the licensee to whom issued for so long as the licensee maintains continuity of renewal in the same location (State).

(b) The Regional director (compliance) shall approve a properly executed application for license on ATF Form 7, or ATF Form 8 Part II, if:

(1) The applicant is 21 years of age or over;

(2) The applicant (including, in the case of a corporation, partnership, or association, any individual possessing, directly or indirectly, the power to direct or cause the direction of the management or policies of the corporation, partnership, or association) is not prohibited under the provisions of the Act from shipping or transporting in interstate or foreign commerce, or possessing in or affecting commerce, any firearm or ammunition, or from receiving any firearm or ammunition which has been shipped or transported in interstate or foreign commerce;

\* \* \* \* \*

**Par. 26.** Section 178.49 is revised to remove the obsolete one and two year license provisions. As revised, § 178.49 reads as follows:

**§ 178.49 Duration of license.**

The license entitles the person to whom issued to engage in the business or activity specified on the license, within the limitations of the Act and the regulations contained in this part, for a three year period, unless terminated sooner.

**Par. 27.** Section 178.73 is revised to provide for revised revocation procedures. As revised, § 178.73 reads as follows:

**§ 178.73 Notice of revocation.**

Whenever the Regional director (compliance) believes that a licensee has violated any provision of the Act or this part, a notice of revocation of the license, ATF Form 4500, may be issued. The notice shall set forth the matters of fact constituting the violations specified, dates, places, and the sections of law and regulations violated. The Regional director (compliance) shall afford the licensee 15 days from the date of receipt of the notice in which to request a hearing prior to revocation of the license. If the licensee does not file a timely request for a hearing, the Regional director (compliance) shall issue a final notice of revocation, ATF Form 4501, as provided in § 178.74.

**Par. 28.** Section 178.74 is revised to provide for a hearing after a notice of revocation. As revised, § 178.74 reads as follows:

**§ 178.74 Request for hearing after notice of revocation.**

If a licensee desires a hearing after receipt of a notice of revocation of a license, the licensee shall file a request, in duplicate, with the Regional director (compliance) within 15 days after receipt of the notice of revocation. On receipt of such request, the Regional director (compliance) shall, as expeditiously as possible, make

necessary arrangements for the hearing and advise the licensee of the date, time, location and the name of the officer before whom the hearing will be held. Such notification shall be made not less than 10 days in advance of the date set for hearing. On conclusion of the hearing and consideration of all the relevant presentations made by the licensee or the licensee's representative, the Regional director (compliance) shall render a decision and shall prepare a brief summary of the findings and conclusions on which the decision is based. If the decision is that the license should be revoked, a certified copy of the summary shall be furnished to the licensee with the final notice of revocation on ATF Form 4501. If the decision is that the license should not be revoked, the licensee shall be notified in writing.

**Par. 29.** Sections 178.75, 178.76, 178.77, and 178.78 are removed and §§ 178.79, 178.80, 178.81, and 178.82 are redesignated as §§ 178.75-178.78 and newly redesignated § 178.77 is revised to read as follows:

**§ 178.77 Designated place of hearing.**

The designated place of the hearing shall be a location convenient to the aggrieved party.

**Par. 30.** Section 178.92 is revised to reflect the firearms identification requirements with respect to certain parts defined as firearms. As revised, § 178.92 reads as follows:

**§ 178.92 Identification of firearms.**

Each licensed manufacturer or licensed importer of any firearm manufactured or imported shall legibly identify each such firearm by engraving, casting, stamping (impressing), or otherwise conspicuously placing or causing to be engraved, cast, stamped (impressed) or placed on the frame or receiver thereof in a manner not susceptible of being readily obliterated, altered, or removed, an individual serial number not duplicating any serial number placed by the manufacturer or importer on any other firearm, and by engraving, casting, stamping (impressing), or otherwise conspicuously placing or causing to be engraved, cast, stamped (impressed) or placed on the frame, receiver, or barrel thereof in a manner not susceptible of being readily obliterated, altered or removed, the model, if such designation has been made; the caliber or gauge; the name (or recognized abbreviation of same) of the manufacturer and also, when applicable, of the importer; in the case of a domestically made firearm, the city and State (or recognized abbreviation



thereof) wherein the licensed manufacturer maintains its place of business; and in the case of an imported firearm, the name of the country in which manufactured and the city and State (or recognized abbreviation thereof) of the importer: *Provided*, That the Director may authorize other means of identification of the licensed manufacturer or licensed importer upon receipt of letter application, in duplicate, showing that such other identification is reasonable and will not hinder the effective administration of this part: *Provided, further*, That in the case of a destructive device, the Director may authorize other means of identifying that weapon upon receipt of letter application, in duplicate, from the licensed manufacturer or licensed importer showing that engraving, casting, or stamping (impressing) such a weapon would be dangerous or impracticable. A firearm frame or receiver, or any part defined as a machine gun, firearm muffler, or firearm silencer in § 178.11, which is not a component part of a complete weapon at the time it is sold, shipped, or otherwise disposed of by a licensed manufacturer or licensed importer, shall be identified as required by this section.

**Par. 31.** Section 178.93 is revised to remove reference to ammunition curios or relics. As revised, § 178.93 reads as follows:

**§ 178.93 Authorized operations by a licensed collector.**

The license issued to a collector of curios or relics under the provisions of this part shall cover only transactions by the licensed collector in curios and relics. The collector's license is of no force or effect and a licensed collector is of the same status under the Act and this part as a nonlicensee with respect to (a) any acquisition or disposition of firearms other than curios or relics, or any transportation, shipment, or receipt of firearms other than curios or relics in interstate or foreign commerce, and (b) any transaction with a nonlicensee involving any firearm other than a curio or relic. (See also § 178.50.)

**Par. 32.** Section 178.94 is revised to remove a reference to ammunition and eliminate the furnishing of license copies to other licensees where firearms are being returned. As revised, § 178.94 reads as follows:

**§ 178.94 Sales or deliveries between licensees.**

A licensed importer, licensed manufacturer, or licensed dealer selling or otherwise disposing of firearms, and a licensed collector selling or otherwise disposing of curios or relics, to another

licensee shall verify the identity and licensed status of the transferee prior to making the transaction. Verification shall be established by the transferee furnishing to the transferor a certified copy of the transferee's license and by such other means as the transferor deems necessary: *Provided*, That it shall not be required (a) for a transferee who has furnished a certified copy of its license to a transferor to again furnish such certified copy to that transferor during the term of the transferee's current license, (b) for a licensee to furnish a certified copy of its license to another licensee if a firearm is being returned to such licensee and (c) for licensees of multilicensed business organizations to furnish certified copies of their licenses to other licensed locations operated by such organization: *Provided further*, That a multilicensed business organization may furnish to a transferor, in lieu of a certified copy of each license, a list, certified to be true, correct and complete, containing the name, address, license number, and the date of license expiration of each licensed location operated by such organization, and the transferor may sell or otherwise dispose of firearms as provided by this section to any licensee appearing on such list without requiring a certified copy of a license therefrom. A transferor licensee who has the certified information required by this section may sell or dispose of firearms to a licensee for not more than 45 days following the expiration date of the transferee's license.

(Approved by the Office of Management and Budget under control number 1512-0387)

**Par. 33.** Section 178.95 is revised to provide for payment to ATF of fees for license copies. As revised, § 178.95 reads as follows:

**§ 178.95 Certified copy of license.**

The license furnished to each person licensed under the provisions of this part contains a purchasing certification statement. This original license may be reproduced and the reproduction then certified by the licensee for use pursuant to § 178.94. If the licensee desires an additional copy of the license for certification (instead of making a reproduction of the original license), the licensee may submit a request, in writing, for a certified copy or copies of the license to the Regional director (compliance) for the region in which the premises is located. The request must set forth the name, trade name (if any) and address of the licensee, and the number of license copies desired. There is a charge of \$1 for each copy. The fee paid for copies of the license must

accompany the request for copies. The fee may be paid by (a) cash, or (b) money order or check made payable to the Bureau of Alcohol, Tobacco and Firearms.

(Approved by the Office of Management and Budget under control number 1512-0387)

**Par. 34.** Section 178.96 is amended by revising paragraph (c) and removing (d) to read as follows:

**§ 178.96 Out-of-State and mail order sales.**

(c) A licensed importer, licensed manufacturer, or licensed dealer may sell or deliver a rifle or shotgun, and a licensed collector may sell or deliver a rifle or shotgun which is a curio or relic, to a nonlicensed resident of a State other than the State in which the licensee's place of business is located if the purchaser meets with the licensee in person at the licensee's premises to accomplish the transfer, sale and delivery of the rifle or shotgun and the sale, delivery and receipt fully comply with the legal conditions of sale in both such States. For purposes of this paragraph, any licensed manufacturer, licensed importer, or licensed dealer is presumed, in the absence of evidence to the contrary, to have had actual knowledge of the State laws and published ordinances of both such States.

(Approved by the Office of Management and Budget under control number 1512-0130)

**Par. 35.** Section 178.98 is revised to change certain administrative procedures for sales or deliveries of destructive devices and certain firearms. As revised, § 178.98 reads as follows:

**§ 178.98 Sales or deliveries of destructive devices and certain firearms.**

The sale or delivery by a licensee of any destructive device, machine gun, short-barreled shotgun, or short-barreled rifle, to any person other than another licensee who is licensed under this part to deal in such device or firearm, is prohibited unless the person to receive such device or firearm furnishes to the licensee a sworn statement setting forth (a) the reasons why there is a reasonable necessity for such person to purchase or otherwise acquire the device or weapon, and (b) that such person's receipt or possession of the device or weapon would be consistent with public safety. Such sworn statement shall be made on the application to transfer and register the firearm required by Part 179 of this chapter. The sale or delivery of the device or weapon shall not be made until the application for transfer is



approved by the Director and returned to the licensee (transferor) as provided in Part 179 of this chapter.

**Par. 36.** Section 178.99 is revised to reflect changes in the categories of persons prohibited from possessing and receiving firearms and ammunition. As revised, § 178.99 reads as follows:

**§ 178.99 Certain prohibited sales or deliveries.**

(a) A licensed importer, licensed manufacturer, licensed dealer, or licensed collector shall not sell or deliver any firearm to any person not licensed under this part and who the licensee knows or has reasonable cause to believe does not reside in (or if a corporation or other business entity, does not maintain a place of business in) the State in which the licensee's place of business or activity is located: *Provided*, That the foregoing provisions of this paragraph:

(1) Shall not apply to the sale or delivery of a rifle or shotgun (curio or relic, in the case of a licensed collector) to a resident of a State other than the State in which the licensee's place of business or collection premises is located if the requirements of § 178.96(c) are fully met, and

(2) Shall not apply to the loan or rental of a firearm to any person for temporary use for lawful sporting purposes (see § 178.97).

(b) A licensed importer, licensed manufacturer, licensed dealer, or licensed collector shall not sell or deliver:

(1) Any firearm or ammunition to any individual who the importer, manufacturer, dealer, or collector knows or has reasonable cause to believe is less than 18 years of age, and, if the firearm, or ammunition, is other than a shotgun or rifle, to any individual who the importer, manufacturer, dealer, or collector knows or has reasonable cause to believe is less than 21 years of age, or

(2) Any firearm to any person in any State where the purchase or possession by such person of such firearm would be in violation of any State law or any published ordinance applicable at the place of sale, delivery or other disposition, unless the importer, manufacturer, dealer or collector knows or has reasonable cause to believe that the purchase or possession would not be in violation of such State law or such published ordinance.

(c) A licensed manufacturer, licensed importer, licensed dealer, or licensed collector shall not sell or otherwise dispose of any firearm or ammunition to any person knowing or having

reasonable cause to believe that such person:

(1) Is, except as provided by § 178.143, under indictment for, or, except as provided by § 178.144, has been convicted in any court of a crime punishable by imprisonment for a term exceeding 1 year;

(2) Is a fugitive from justice;

(3) Is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substance Act, 21 U.S.C. 802);

(4) Has been adjudicated as a mental defective or has been committed to any mental institution;

(5) Is an alien illegally or unlawfully in the United States;

(6) Has been discharged from the Armed Forces under dishonorable conditions, or

(7) Who, having been a citizen of the United States, has renounced citizenship.

**Par. 37.** Section 178.100 is amended to revise procedures for sales at gun shows. As revised, § 178.100 reads as follows:

**§ 178.100 Conduct of business away from licensed premises.**

(a) A licensee may conduct business temporarily at a gun show if the gun show is located in the same State specified on the license: *Provided*, That such business shall not be conducted from any motorized or towed vehicle. The premises of the gun show at which the licensee conducts business shall be considered part of the licensed premises. Accordingly, no separate fee or license is required for the gun show locations. However, licensees shall comply with the provisions of § 178.91 relating to posting of licenses (or a copy thereof) while conducting business at the gun show.

(b) A gun show is an event sponsored by any national, State, or local organization, devoted to the collection, competitive use, or other sporting use of firearms, or an organization or association that sponsors events devoted to the collection, competitive use or other sporting use of firearms in the community.

(c) Licensees conducting business at gun shows shall maintain firearms and armor-piercing ammunition records in the form and manner prescribed by Subpart H of this part. In addition, records of receipt and disposition of firearms transactions conducted at gun shows shall include the location of the sale or other disposition and be entered in the required records of the licensee and retained on the premises specified on the license.

**Par. 38.** Section 178.111 is revised to include the importation of firearm barrels. As revised, § 178.111 reads as follows:

**§ 178.111 General.**

(a) Section 922(a)(3) of the Act makes it unlawful, with certain exceptions not pertinent here, for any person other than a licensee to transport into or receive in the State where the person resides any firearm purchased or otherwise obtained by the person outside of that State.

However, section 925(a)(4) provides a limited exception for the transportation, shipment, receipt or importation of certain firearms and ammunition by certain members of the United States Armed Forces. Section 922(1) of the Act makes it unlawful for any person knowingly to import or bring into the United States or any possession thereof any firearm or ammunition except as provided by section 925(d) of the Act, which section provides standards for importing or bringing firearms or ammunition into the United States. Section 925(d) also provides standards for importing or bringing firearm barrels into the United States. Accordingly, no firearm, firearm barrel, or ammunition may be imported or brought into the United States except as provided by this part.

(b) Where a firearm, firearm barrel, or ammunition is imported and the authorization for importation required by this subpart has not been obtained by the person importing same, such person shall:

(1) Store, at the person's expense, such firearm, firearm barrel, or ammunition at a facility designated by U.S. Customs or the Regional director (compliance) to await the issuance of the required authorization or other disposition; or

(2) Abandon such firearm, firearm barrel, or ammunition to the U.S. Government; or

(3) Export such firearm, firearm barrel, or ammunition.

(c) Any inquiry relative to the provisions or procedures under this subpart, other than that pertaining to the payment of customs duties or the release from Customs custody of firearms, firearm barrels, or ammunition authorized by the Director to be imported, shall be directed to the Regional director (compliance) for reply.

**Par. 39.** Section 178.112 is revised to include the importation of firearm barrels and update administrative procedures. As revised, § 178.112 reads as follows:



**§ 178.112 Importation by a licensed importer.**

(a) No firearm, firearm barrel, or ammunition shall be imported or brought into the United States by a licensed importer (as defined in § 178.11) unless the Director has authorized the importation of the firearm, firearm barrel, or ammunition.

(b) An application for a permit, ATF Form 6, to import or bring a firearm, firearm barrel, or ammunition into the United States or a possession thereof under this section shall be filed, in triplicate, with the Director. The application shall contain:

(1) The name, address, and license number of the importer;

(2) A description of the firearm, firearm barrel, or ammunition to be imported, including type (e.g.: rifle, shotgun, pistol, revolver; and in the case of ammunition only, ball, wadcutter), model, caliber, size or gauge, barrel length (if a firearm or firearm barrel), country of manufacture, and name of the manufacturer;

(3) The unit cost of the firearm, firearm barrel, or ammunition to be imported;

(4) The country from which to be imported;

(5) The name and address of the foreign seller and the foreign shipper;

(6) Verification that if a firearm, it will be identified as required by this part; and

(7)(i) If a firearm or ammunition imported or brought in for scientific or research purposes, a statement describing such purposes; or

(ii) If a firearm or ammunition for use in connection with competition or training pursuant to Chapter 401 of Title 10, U.S.C., a statement describing such intended use; or

(iii) If an unserviceable firearm (other than a machine gun) being imported as a curio or museum piece, a description of how it was rendered unserviceable and an explanation of why it is a curio or museum piece; or

(iv) If a firearm of a type that does not fall within the definition of a firearm under section 5845(a) of the Internal Revenue Code of 1954, or a barrel for such firearm, and is for sporting purposes, an explanation of why the applicant believes the firearm is generally recognized as particularly suitable for or readily adaptable to sporting purposes or is a barrel for such firearm.

If the Director approves the application, such approved application shall serve as the permit to import the firearm, firearm barrel, or ammunition described therein, and importation of such firearms,

firearm barrels, or ammunition may continue to be made by the licensed importer under the approved application (permit) during the period specified thereon. The Director shall furnish the approved application (permit) to the applicant and retain two copies thereof for administrative use. If the Director disapproves the application, the licensed importer shall be notified of the basis for the disapproval.

(c) A firearm, firearm barrel, or ammunition imported or brought into the United States by a licensed importer may be released from Customs custody to the licensed importer upon showing that the importer has obtained a permit from the Director for the importation of the firearm, firearm barrel, or ammunition to be released. In obtaining the release from Customs custody of a firearm, firearm barrel, or ammunition authorized by this section to be imported through use of a permit, the licensed importer shall prepare ATF Form 6A, in duplicate, and furnish the original ATF Form 6A to the Customs officer releasing the firearm, firearm barrel, or ammunition. The Customs officer shall, after certification, forward the ATF Form 6A to the address specified on the form. The ATF Form 6A shall show the name, address, and license number of the importer, the name of the manufacturer of the firearm, firearm barrel, or ammunition, the country of manufacture, the type, model, and caliber, size or gauge, and the number of firearms, firearm barrels, or rounds of ammunition released.

(d) Within 15 days of the date of release from Customs custody, the licensed importer shall: (1) Forward to the address specified on the form a copy of ATF Form 6A on which shall be reported any error or discrepancy appearing on the ATF Form 6A certified by Customs, (2) pursuant to § 178.92, place all required identification data on each imported firearm if same did not bear such identification data at the time of its release from Customs custody, and (3) post in the records required to be maintained by the importer under Subpart H of this part all required information regarding the importation.

Par. 40. Section 178.113 is revised to include the importation of firearm barrels and update administrative procedures. As revised, § 178.113 reads as follows:

**§ 178.113 Importation by other licensees.**

(a) No person other than a licensed importer (as defined in § 178.11) shall engage in the business of importing firearms, firearm barrels, or ammunition. Therefore, no firearm, firearm barrel, or ammunition shall be imported or

brought into the United States or a possession thereof by any licensee other than a licensed importer unless the Director issues a permit authorizing the importation of the firearm, firearm barrel, or ammunition.

(b) An application for a permit, ATF Form 6, to import or bring a firearm, firearm barrel or ammunition into the United States or a possession thereof by a licensee, other than a licensed importer, shall be filed, in triplicate, with the Director. The application shall contain:

(1) The name, address, and license number of the applicant;

(2) A description of the firearm, firearm barrel or ammunition to be imported, including type (e.g.: rifle, shotgun, pistol, revolver; and in the case of ammunition only, ball, wadcutter), model, caliber, size or gauge, barrel length (if a firearm or firearm barrel), country of manufacture, and name of the manufacturer;

(3) The unit cost of the firearm, firearm barrel or ammunition to be imported;

(4) The name and address of the foreign seller and the foreign shipper;

(5) The country from which the firearm, firearm barrel, or ammunition is to be imported; and

(6)(i) If a firearm or ammunition imported or brought in for scientific or research purposes, a statement describing such purposes; or

(ii) If a firearm or ammunition for use in connection with competition or training pursuant to Chapter 401 of Title 10, U.S.C., a statement describing such intended use; or

(iii) If an unserviceable firearm (other than a machine gun) being imported as a curio or museum piece, a description of how it was rendered unserviceable and an explanation of why it is a curio or museum piece; or

(iv) If a firearm or firearm barrel other than a surplus military firearm or barrel for such firearm, of a type that does not fall within the definition of a firearm under section 5845(a) of the Internal Revenue Code of 1954 and is for sporting purposes, an explanation of why the applicant believes the firearm or firearm barrel is generally recognized as particularly suitable for or readily adaptable to sporting purposes; or

(v) If ammunition being imported for sporting purposes, a statement why the applicant believes it is generally recognized as particularly suitable for or readily adaptable to sporting purposes. If the Director approves the application, such approved application shall serve as the permit to import the firearm, firearm barrel or ammunition described therein.



The Director shall furnish the approved application (permit) to the applicant and retain two copies thereof for administrative use. If the Director disapproves the application, the applicant shall be notified of the basis for the disapproval.

(c) A firearm, firearm barrel, or ammunition imported or brought into the United States or a possession thereof under the provisions of this section may be released from Customs custody to the licensee importing the firearm, firearm barrel, or ammunition upon showing that the licensee has obtained a permit from the Director for the importation. In obtaining the release of the firearm, firearm barrel, or ammunition from Customs custody, the licensee importing same shall furnish ATF Form 6A to the Customs officer releasing the firearm, firearm barrel, or ammunition. The Customs officer shall, after certification, forward the ATF Form 6A to the address specified on the form. The ATF Form 6A shall show the name, address, and the license number of the licensee, the name of the manufacturer, the country of manufacture, and the type, model, and caliber, size (if ammunition) or gauge of the firearm, firearm barrel or ammunition so released, and, if applicable, the number of firearms, firearm barrels, or rounds of ammunition released.

Par. 41. Section 178.114 is revised to update administrative procedures. As revised, § 178.114 reads as follows:

**§ 178.114 Importation by members of the U.S. Armed Forces.**

(a) The Director may issue a permit authorizing the importation of a firearm or ammunition into the United States to the place of residence of any military member of the U.S. Armed Forces who is on active duty outside the United States, or who has been on active duty outside the United States within the 60-day period immediately preceding the intended importation: *Provided*, That such firearm or ammunition is generally recognized as particularly suitable for or readily adaptable to sporting purposes and is intended for the personal use of such member. An application for such a permit, ATF Form 6, shall be filed, in triplicate, with the Director. The application shall contain:

(1) The name and current address of the applicant;

(2) Certification that the transportation, receipt, or possession of the firearm or ammunition to be imported would not constitute a violation of any provision of the Act or of any State law or local ordinance at the place of the applicant's residence;

(3) A description of the firearm or ammunition to be imported, including type (e.g.; rifle, shotgun, pistol, revolver; and in the case of ammunition only, ball wadcutter), model, caliber, size or gauge, barrel length (if a firearm), country of manufacture, and the name of the manufacturer;

(4) The unit cost of the firearm or ammunition to be imported;

(5) The name and address of the foreign seller (if applicable) and the foreign shipper;

(6) The country from which the firearm or ammunition is to be imported;

(7)(i) That the firearm or ammunition being imported is for the personal use of the applicant; and

(ii) if a firearm, a statement that it is not a surplus military firearm, that it does not fall within the definition of a firearm under section 5845(a) of the Internal Revenue Code of 1954, and an explanation of why the applicant believes the firearm is generally recognized as particularly suitable for or readily adaptable to sporting purposes; or

(iii) if ammunition, a statement why the applicant believes it is generally recognized as particularly suitable for or readily adaptable to sporting purposes; and

(8) The applicant's date of birth, rank or grade, place of residence, present foreign duty station or last foreign duty station, as the case may be, the date of the applicant's reassignment to a duty station within the United States, if applicable, and the military branch of which the applicant is a member.

If the Director approves the application, such approved application shall serve as the permit to import the firearm or ammunition described therein. The Director shall furnish the approved application (permit) to the applicant and shall retain the two copies thereof for administrative purposes. If the Director disapproves the application, the applicant shall be notified of the basis for the disapproval.

(b) Upon receipt of an approved application (permit) to import the firearm or ammunition, the applicant may obtain the release of same from Customs custody upon showing that the applicant has obtained a permit from the Director for the importation. In obtaining the release of the firearm or ammunition from Customs custody, the military member of the U.S. Armed Forces importing same shall furnish ATF Form 6A to the Customs officer releasing the firearm or ammunition. The Customs officer shall, after certification, forward the ATF Form 6A to the address specified on the form. The ATF Form 6A

shall show the name and address of such military member, the name of the manufacturer, the country of manufacture, and the type, model, and caliber, size or gauge of the firearm or ammunition so released, and, if applicable, the number of firearms or rounds of ammunition released. However, when such military member is on active duty outside the United States, the military member may appoint, in writing, an agent to obtain the release of the firearm or ammunition from Customs custody for such member. Such agent shall present sufficient identification of the agent and the written authorization to act on behalf of such military member to the Customs officer who is to release the firearm or ammunition.

(c) Firearms determined by the Department of Defense to be war souvenirs may be imported into the United States by the military members of the U.S. Armed Forces under such provisions and procedures as the Department of Defense may issue.

Par. 42. Section 178.115(b) is revised to include the importation of firearm barrels. As revised, § 178.115(b) reads as follows:

**§ 178.115 Exempt importation.**

(b) Firearms, firearm barrels and ammunition may be imported or brought into the United States by or for the United States or any department or agency thereof, or any State or any department, agency, or political subdivision thereof. A firearm, firearm barrel or ammunition imported or brought into the United States under this paragraph may be released from Customs custody upon a showing that the firearm or ammunition is being imported or brought into the United States by or for such a governmental entity.

Par. 43. Section 178.116 is revised to include the importation of firearm barrels. As revised, § 178.116 reads as follows:

**§ 178.116 Conditional importation.**

The Director shall permit the conditional importation or bringing into the United States or any possession thereof of any firearm, firearm barrel, or ammunition for the purpose of examining and testing the firearm, firearm barrel, or ammunition in connection with making a determination as to whether the importation or bringing in of such firearm, firearm barrel, or ammunition will be authorized under this part. An application on ATF Form 6 for such conditional importation



shall be filed, in duplicate, with the Director. The Director may impose conditions upon any importation under this section including a requirement that the firearm, firearm barrel, or ammunition be shipped directly from Customs custody to the Director and that the person importing or bringing in the firearm, firearm barrel, or ammunition must agree to either export the firearm, firearm barrel, or ammunition or destroy same if a determination is made that the firearm, firearm barrel, or ammunition may not be imported or brought in under this part. A firearm, firearm barrel, or ammunition imported or brought into the United States or any possession thereof under the provision of this section shall be released from Customs custody upon the payment of customs duties, if applicable, and in the manner prescribed in the conditional authorization issued by the Director.

Par. 44. Section 178.121 is amended by revising paragraphs (a), (b), and (c) to read as follows:

**§ 178.121 General.**

(a) The records pertaining to firearms transactions prescribed by this part shall be retained on the licensed premises in the manner prescribed by this subpart and for the length of time prescribed by § 178.129. The records pertaining to ammunition prescribed by this part shall be retained on the licensed premises in the manner prescribed by § 178.125.

(b) ATF officers may, for the purposes and under the conditions prescribed in § 178.23, enter the premises of any licensed importer, licensed manufacturer, licensed dealer, or licensed collector for the purpose of examining or inspecting any record or document required by or obtained under this part. Section 923(g) of the Act requires licensed importers, licensed manufacturers, licensed dealers, and licensed collectors to make such records available for such examination or inspection during business hours as provided in § 178.23.

(c) Each licensed importer, licensed manufacturer, licensed dealer, and licensed collector shall maintain such records of importation, production, shipment, receipt, sale, or other disposition, whether temporary or permanent, of firearms and such records of the disposition of ammunition as the regulations contained in this part prescribe. Section 922(m) of the Act makes it unlawful for any licensed importer, licensed manufacturer, licensed dealer, or licensed collector knowingly to make any false entry in, or fail to make appropriate entry in, or to

fail to properly maintain any such record.

Par. 45. Section 178.122 is revised to remove ammunition records except for the disposition of armor-piercing ammunition. As revised, § 178.122 reads as follows:

**§ 178.122 Records maintained by importers.**

(a) Each licensed importer shall, within 15 days of the date of importation or other acquisition, record the type, model, caliber or gauge, manufacturer, country of manufacture, and the serial number of each firearm imported or otherwise acquired, and the date such importation or other acquisition was made.

IMPORTER'S DISPOSITION RECORD

Quantity	Type	Manufacturer	Country of manufacture	Caliber or gauge	Model	Serial No.	Name and license No. of licensee to whom transferred	Date of the transaction
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(c) Notwithstanding the provisions of paragraph (b) of this section, the Regional director (compliance) may authorize alternate records to be maintained by a licensed importer to record his disposal of firearms and armor-piercing ammunition when it is shown by the licensed importer that such alternate records will accurately and readily disclose the information required by paragraph (b) of this section. A licensed importer who proposes to use alternate records shall submit a letter application, in duplicate, to the Regional director (compliance) and shall describe the proposed alternate records and the need therefor. Such alternate records shall not be employed by the licensed importer until approval in such regard is received from the Regional director (compliance).

(d) Each licensed importer shall maintain separate records of the sales or other dispositions made of firearms and armor-piercing ammunition to nonlicensees. Such records shall be maintained in the form and manner as prescribed by § 178.125 in regard to armor-piercing ammunition transactions, and by § 178.124 and § 178.125 in regard to firearms transaction records and records of acquisition and disposition of firearms.

(Approved by the Office of Management and Budget under control number 1512-0387)

Par. 46. Section 178.123 is revised to remove ammunition records except for

(b) A record of firearms and a separate record of armor-piercing ammunition disposed of by a licensed importer to another licensee shall be maintained by the licensed importer on the licensed premises and shall show the quantity, type, model, manufacturer, country of manufacture, caliber, size or gauge, serial number (in case of firearms only), of the firearms or armor-piercing ammunition so transferred, the name and license number of the licensee to whom the firearms or armor-piercing ammunition were transferred and the date of the transaction. The information required by this paragraph shall be entered in the proper record book not later than the seventh day following the date of the transaction, and such information shall be recorded under the following format:

the disposition of armor-piercing ammunition. As revised, § 178.123 reads as follows:

**§ 178.123 Records maintained by manufacturers.**

(a) Each licensed manufacturer shall record the type, model, caliber or gauge, and serial number of each complete firearm manufactured or otherwise acquired, and the date such manufacture or other acquisition was made. The information required by this paragraph shall be recorded not later than the seventh day following the date such manufacture or other acquisition was made.

(b) A record of firearms and a separate record of armor-piercing ammunition disposed of by a licensed manufacturer to another licensee shall be maintained by the licensed manufacturer on the licensed premises and shall show the quantity, type, model, caliber, size or gauge, serial number (in the case of firearms only), of the firearms or armor-piercing ammunition so transferred, the name and license number of the licensee to whom the firearms or armor-piercing ammunition were transferred, and the date of the transaction. The information required by this paragraph shall be entered in the proper record book not later than the seventh day following the date of the transaction, and such information shall be recorded under the



format prescribed by § 178.122, except that the name of the manufacturer need not be recorded if the firearm or armor-piercing ammunition is of the manufacturer's own manufacture.

(c) Notwithstanding the provisions of paragraph (b) of this section, the Regional director (compliance) may authorize alternate records to be maintained by a licensed manufacturer to record the disposal of firearms and armor-piercing ammunition when it is shown by the licensed manufacturer that such alternate records will accurately and readily disclose the information required by paragraph (b) of this section. A licensed manufacturer who proposes to use alternate records shall submit a letter application, in duplicate, to the Regional director (compliance) and shall describe the proposed alternate record and the need therefor. Such alternate records shall not be employed by the licensed manufacturer until approval in such regard is received from the Regional director (compliance).

(d) Each licensed manufacturer shall maintain separate records of the sales or other dispositions made of firearms and armor-piercing ammunition to nonlicensees. Such records shall be maintained in the form and manner as prescribed by § 178.125 in regard to armor-piercing ammunition transactions, and by §§ 178.124 and 178.125 in regard to firearms transaction records and records of acquisition and disposition of firearms.

(Approved by the Office of Management and Budget under control number 1512-0369)

Par. 47. Section 178.124 is amended by revising paragraphs (a), (b), (c), (d), (e), (f), and (i) to read as follows:

**§ 178.124 Firearms transaction record.**

(a) A licensed importer, licensed manufacturer, or licensed dealer shall not sell or otherwise dispose, temporarily or permanently, of any firearm to any person, other than another licensee, unless the licensee records the transaction on a firearms transaction record, Form 4473: *Provided*, That a firearms transaction record, Form 4473, shall not be required to record the disposition made of a firearm delivered to a licensee for the sole purpose of repair or customizing when such firearm is returned to the person from whom received.

(b) A licensed manufacturer, licensed importer, or licensed dealer shall retain in alphabetical (by name of purchaser), chronological (by date of disposition), or numerical (by transaction serial number) order, and as a part of the required records, each Form 4473

obtained in the course of transferring custody of the firearms.

(c) Prior to making an over-the-counter transfer of a firearm to a nonlicensee who is a resident of the State in which the licensee's business premises is located, the licensed importer, licensed manufacturer, or licensed dealer so transferring the firearm shall obtain a Form 4473 from the transferee showing the name, address (including county or similar political subdivision), date and place of birth, height, weight, and race of the transferee, and certification by the transferee that the transferee is not prohibited by the Act from transporting or shipping a firearm in interstate or foreign commerce or receiving a firearm which has been shipped or transported in interstate or foreign commerce or possessing a firearm in or affecting commerce. The licensee shall identify the firearm to be transferred by listing in the Form 4473 the name of the manufacturer, the name of the importer (if any), the type, model, caliber or gauge, and the serial number of the firearm. Before transferring the firearm described in the Form 4473, the licensee:

(1) Shall cause the transferee to be identified in any manner customarily used in commercial transactions (e.g., a driver's license), and shall note on the form the method used; and

(2) If satisfied that the transferee is lawfully entitled to receive the firearm, shall sign and date the form.

(d) Prior to making an over-the-counter transfer of a shotgun or rifle under the provisions contained in § 178.96(c) to a nonlicensee who is not a resident of the State in which the licensee's business premises is located, the licensed dealer so transferring the shotgun or rifle, and such transferee, shall comply with the requirements of paragraph (c) of this section.

(e) Prior to making a transfer of a firearm to any nonlicensee who is not a resident of the State in which the licensee's business premises is located, and such nonlicensee is acquiring the firearm by loan or rental from the licensee for temporary use for lawful sporting purposes, the licensed importer, licensed manufacturer, or licensed dealer so furnishing the firearm, and such transferee, shall comply with the provisions of paragraph (c) of this section.

(f) Form 4473 shall be submitted, in duplicate, to a licensed importer, licensed manufacturer, or licensed dealer by a transferee who is purchasing or otherwise acquiring a firearm by other than an over-the-counter transaction, and who is a resident of the State in which the licensee's business

premises is located. The Form 4473 shall show the name, address, date and place of birth, height, weight, and race of the transferee; and the title, name, and address of the principal law enforcement officer of the locality to which the firearm will be delivered. The transferee also must date and execute the sworn statement contained on the form showing that, in case the firearm to be transferred is a firearm other than a shotgun or rifle, the transferee is 21 years or more of age; that, in case the firearm to be transferred is a shotgun or rifle, the transferee is 18 years or more of age; that the transferee is not prohibited by the provisions of the Act from shipping or transporting a firearm in interstate or foreign commerce or receiving a firearm which has been shipped or transported in interstate or foreign commerce or possessing a firearm in or affecting commerce; and that the transferee's receipt of the firearm would not be in violation of any statute of the State or published ordinance applicable to the locality in which the transferee resides. Upon receipt of such Forms 4473, the licensee shall identify the firearm to be transferred by listing in the Forms 4473 the name of the manufacturer, the name of the importer (if any), the type, model, caliber or gauge, and the serial number of the firearm to be transferred. The licensee shall prior to shipment or delivery of the firearm to such transferee, forward by registered or certified mail (return receipt requested) a copy of the Form 4473 to the principal law enforcement officer named in the Form 4473 by the transferee, and shall delay shipment or delivery of the firearm to the transferee for a period of at least 7 days following receipt by the licensee of the return receipt evidencing delivery of the copy of the Form 4473 to such principal law enforcement officer, or the return of the copy of the Form 4473 to the licensee due to the refusal of such principal law enforcement officer to accept same in accordance with U.S. Postal Service regulations. The original Form 4473, and evidence of receipt or rejection of delivery of the copy of the Form 4473 sent to the principal law enforcement officer, shall be retained by the licensee as a part of the records required to be kept under this subpart.

(i) A licensee may obtain, upon request, an emergency supply of Forms 4473 from any Regional director (compliance). For normal usage, a licensee should request a year's supply from the ATF Distribution Center, 7943 Angus Court, Springfield, Virginia 22153.



Par. 48. Section 178.125 is revised to remove ammunition records except for the disposition of armor-piercing ammunition. As revised, § 178.125 reads as follows:

**§ 178.125 Record of receipt and disposition.**

(a) *Armor-piercing ammunition sales to nonlicensees.* The sale or other disposition of armor-piercing ammunition by licensed dealers and licensed collectors shall be recorded in a bound record at the time a transaction is made. The bound record shall be maintained in chronological order by date of sale or disposition of the armor-piercing ammunition, and shall be retained on the licensed premises of the licensee for a period not less than two

years following the date of the recorded sale or disposition of the armor-piercing ammunition.

(1) The bound record entry shall show:

- (i) The date of the transaction;
- (ii) The name of the manufacturer;
- (iii) The caliber or gauge (or the type of armor-piercing ammunition component);
- (iv) The quantity of armor-piercing ammunition (or component);
- (v) The name, address, and date of birth of the nonlicensee; and
- (vi) The method used to establish the identity of the armor-piercing ammunition purchaser.

(2) The format required for the bound record is as follows:

DISPOSITION RECORD OF ARMOR-PIERCING AMMUNITION

Date	Manufacturer	Caliber, gauge, or type of component	No. of boxes	Purchaser		Enter an (x) in the "known" column if purchaser is personally known to you. Otherwise, establish the purchaser's identification		
				Name and address	Date of birth			
						Known	Driver's license	Other type (specify)

However, when a commercial record is made at the time a transaction is made, a licensee may delay making an entry into the bound record if the provisions of paragraph (c) of this section are complied with.

(b) *Armor-piercing ammunition sales to licensees.* Sales or other dispositions of armor-piercing ammunition from a licensee to another licensee shall be recorded and maintained in the manner prescribed in § 178.122(b) for importers.

(c) *Commercial records of armor-piercing ammunition transactions.* When a commercial record is made at the time of sale or other disposition of armor-piercing ammunition, and such record contains all information required by the bound record prescribed by paragraph (a) of this section, the licensed dealer or licensed collector transferring the armor-piercing ammunition may, for a period not exceeding 7 days following the date of such transfer, delay making the required entry into such bound record: *Provided*, That the commercial record pertaining to the transfer is: (1) Maintained by the licensed dealer or licensed collector separate from other commercial documents maintained by such licensee, and (2) is readily available for inspection on the licensed premises until such time as the required entry into the bound record is made.

(d) *Firearms receipt and disposition by dealers.* Each licensed dealer shall enter into a record each receipt and

disposition of firearms. In addition, before commencing or continuing firearms business, each licensed dealer shall inventory the firearms possessed for such business and shall record same in the record required by this paragraph. The record required by this paragraph shall be maintained in bound form under the format prescribed below. The purchase or other acquisition of a firearm by a licensed dealer shall,

FIREARMS ACQUISITION AND DISPOSITION RECORD

Description of firearm					Receipt		Disposition		
Manufacturer and/or importer	Model	Serial No.	Type of action	Caliber or gauge	Date	Name and address or name and license No.	Date	Name	Address or license No. if licensee, or Form 4473 Serial No. if Forms 4473 filed numerically

(e) *Firearms receipt and disposition by licensed collectors.* Each licensed collector shall enter into a record each receipt and disposition of firearms curios or relics. In addition, before commencing or continuing a firearms curio or relic collection, each licensed collector shall inventory the curios or relics possessed in such collection and shall record same in the record required by this paragraph. The record required by this paragraph shall be maintained in bound form under the format prescribed below. The purchase or other acquisition of a curio or relic shall,

except as provided in paragraph (f) of this section, be recorded not later than the close of the next business day following the date of such purchase or acquisition. The record shall show the date of receipt, the name and address or the name and license number of the person from whom received, the name of the manufacturer and importer (if any), the model, serial number, type of action, and the caliber or gauge of the firearm. The sale or other disposition of a firearm shall be recorded by the licensed dealer not later than 7 days following the date of such transaction. When such disposition is made to a nonlicensee, the firearms transaction record, Form 4473, obtained by the licensed dealer shall be retained, until the transaction is recorded, separate from the licensee's Form 4473 file and be readily available for inspection. When such disposition is made to a licensee, the commercial record of the transaction shall be retained, until the transaction is recorded, separate from other commercial documents maintained by the licensed dealer, and be readily available for inspection. The record shall show the date of the sale or other disposition of each firearm, the name and address of the person to whom the firearm is transferred, or the name and license number of the person to whom transferred if such person is a licensee, or the firearms transaction record, Form 4473, serial number if the licensed dealer transferring the firearm serially numbers the Forms 4473 and files them numerically. The format required for the record of receipt and disposition of firearms is as follows:

except as provided in paragraph (f) of this section, be recorded not later than the close of the next business day following the date of such purchase or other acquisition. The record shall show the date of receipt, the name and address or the name and license number of the person from whom received, the name of the manufacturer and importer (if any), the model, serial number, type of action, and the caliber or gauge of the firearm curio or relic. The sale or other disposition of a curio or relic shall be recorded by the licensed collector not later than 7 days following the date of



such transaction. When such disposition is made to a licensee, the commercial record of the transaction shall be retained, until the transaction is recorded, separate from other commercial documents maintained by the licensee, and be readily available for inspection. The record shall show the date of the sale or other disposition of each firearm curio or relic, the name and address of the person to whom the firearm curio or relic is transferred, or

the name and license number of the person to whom transferred if such person is a licensee, and the date of birth of the transferee if other than a licensee. In addition, the licensee shall cause the transferee, if other than a licensee, to be identified in any manner customarily used in commercial transactions (e.g., a driver's license), and shall note on the record the method used.

#### FIREARMS COLLECTORS ACQUISITION AND DISPOSITION RECORD

Description of firearm					Receipt		Disposition			
Manufacturer and/or importer	Model	Serial No.	Type of action	Caliber or gauge	Date	Name and address or name and license No.	Date	Name and address or name and license No.	Date of birth if nonlicensee	Driver's license No. or other identification if nonlicensee

(f) *Commercial records of firearms received.* When a commercial record is held by a licensed dealer or licensed collector showing the acquisition of a firearm or firearm curio or relic, and such record contains all acquisition information required by the bound record prescribed by paragraphs (d) and (e) of this section, the licensed dealer or licensed collector acquiring such firearm or curio or relic, may, for a period not exceeding 7 days following the date of such acquisition, delay making the required entry into such bound record: *Provided, That* the commercial record is, until such time as the required entry into the bound record is made: (1) Maintained by the licensed dealer or licensed collector separate from other commercial documents maintained by such licensee, and (2) readily available for inspection on the licensed premises: *Provided, further, That* when disposition is made of a firearm or firearm curio or relic not entered in the bound record under the provisions of this paragraph, the licensed dealer or licensed collector making such disposition shall enter all required acquisition information regarding the firearm or firearm curio or relic in the bound record at the time such transfer or disposition is made.

(g) *Alternate records.* Notwithstanding the provisions of paragraphs (a), (d), and (e) of this section, the Regional director (compliance) may authorize alternate records to be maintained by a licensed dealer or licensed collector to record the acquisition and disposition of firearms or curios or relics and the disposition of armor-piercing ammunition when it is shown by the licensed dealer or the licensed collector that such alternate records will accurately and readily

disclose the required information. A licensed dealer or licensed collector who proposes to use alternate records shall submit a letter application, in duplicate, to the Regional director (compliance) and shall describe the proposed alternate records and the need therefor. Such alternate records shall not be employed by the licensed dealer or licensed collector until approval in such regard is received from the Regional director (compliance).

(h) *Requirements for importers and manufacturers.* Each licensed importer and licensed manufacturer selling or otherwise disposing of firearms or armor-piercing ammunition to nonlicensees shall maintain such records of such transactions as are required of licensed dealers by this section.

(Approved by the Office of Management and Budget under control number 1512-0387)

**Par. 49.** Section 178.125a is added to provide for the disposition of a licensee's personal firearms collection. As added, § 178.125a reads as follows:

#### DISPOSITION RECORD OF PERSONAL FIREARMS

Description of firearm					Disposition				
Manufacturer and/or importer	Model	Serial No.	Type of action	Caliber or gauge	Date	Name and address or name and license No.	Date of birth if nonlicensee	Driver's license No. or other identification if nonlicensee	

(b) Any licensed manufacturer, licensed importer, or licensed dealer selling or otherwise disposing of a firearm from the licensee's personal firearms collection under this section shall be subject to the restrictions

#### § 178.125a Personal firearms collection.

(a) Notwithstanding any other provision of this subpart, a licensed manufacturer, licensed importer, or licensed dealer is not required to record on a firearms transaction record, Form 4473, the sale or other disposition of a firearm maintained as part of the licensee's personal firearms collection: *Provided, That:*

(1) The licensee has maintained the firearm as part of such collection for 1 year from the date the firearm was transferred from the business inventory into the personal collection or otherwise acquired as a personal firearm;

(2) The licensee recorded in the bound record prescribed by § 178.125(d) the receipt of the firearm into the business inventory or other acquisition;

(3) The licensee recorded the firearm as a disposition in the bound record prescribed by § 178.125(d) when the firearm was transferred from the business inventory into the personal firearms collection or otherwise acquired as a personal firearm; and

(4) The licensee enters the sale or other disposition of the firearm from the personal firearms collection into a bound record, under the format prescribed below, identifying the firearm transferred by recording the name of the manufacturer and importer (if any), the model, serial number, type of action, and the caliber or gauge, and showing the date of the sale or other disposition, the name and address of the transferee, or the name and license number of the transferee if such person is a licensee, the date of birth of the transferee if other than a licensee. In addition, the licensee shall cause the transferee, if other than a licensee, to be identified in any manner customarily used in commercial transactions (e.g., a driver's license), and shall note on the record the method used. The format required for the disposition record of personal firearms is as follows:

imposed by the Act and this part on the dispositions of firearms by persons other than licensed manufacturers, licensed importers, and licensed dealers.

(Approved by the Office of Management and Budget under control number 1512-0387)



**Par. 50.** Section 178.127 is revised to change the location where the firearms and ammunition records of a discontinued business are to be sent. As revised, § 178.127 reads as follows:

**§ 178.127 Discontinuance of business.**

Where a firearms or ammunition business is discontinued and succeeded by a new licensee, the records prescribed by this subpart shall appropriately reflect such facts and shall be delivered to the successor. Where discontinuance of the business is absolute, the records prescribed by this subpart shall be delivered within 30 days following the business discontinuance to the ATF Firearms Records Repository, 3800 South Four Mile Run Drive, Arlington, Virginia 22206: *Provided, however,* Where State law or local ordinance requires the delivery of records to other responsible authority, the Regional director (compliance) may arrange for the delivery of the records required by this subpart to such authority.

**Par. 51.** Section 178.128 is revised to reflect a change in the penalties for false statements or representations of licensees in their records. As revised, § 178.128 reads as follows:

**§ 178.128 False statement or representation.**

(a) Any person who knowingly makes any false statement or representation in applying for any license or exemption or relief from disability, under the provisions of the Act, shall be fined not more than \$5,000 or imprisoned not more than 5 years, or both.

(b) Any person other than a licensed manufacturer, licensed importer, licensed dealer, or licensed collector who knowingly makes any false statement or representation with respect to any information required by the provisions of the Act or this part to be kept in the records of a person licensed under the Act or this part shall be fined not more than \$5,000 or imprisoned not more than 5 years, or both.

(c) Any licensed manufacturer, licensed importer, licensed dealer, or licensed collector who makes any false statement or representation with respect to any information required by the provisions of the Act or this part to be kept in the records of a person licensed under the Act or this part shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both.

**Par. 52.** Section 178.141(d) is revised to add the word "possession". As revised, § 178.141(d) reads as follows:

**§ 178.141 General.**

\* \* \*

(d) The transportation, shipment, receipt, possession, or importation of any antique firearm.

**Par. 53.** Section 178.142 is revised to state the effect of State pardons and other proceedings on the Federal firearms disabilities of convicted persons. As revised, § 178.142 reads as follows:

**§ 178.142 Effect of pardons and expunctions of convictions.**

(a) A pardon granted by the President of the United States regarding a Federal conviction for a crime punishable by imprisonment for a term exceeding 1 year shall remove any disability which otherwise would be imposed by the provisions of this part with respect to that conviction.

(b) A pardon granted by the Governor of a State or other State pardoning authority with respect to a conviction, or any expunction, reversal or setting aside of a conviction or other proceeding rendering a conviction nugatory shall remove any disability which otherwise would be imposed by the provisions of this part with respect to the conviction, unless:

(1) The pardon, expunction, setting aside, or other proceeding expressly provides that the person may not ship, transport, possess or receive firearms; or

(2) The pardon, expunction, setting aside, or other proceeding did not fully restore the rights of the person to ship, transport, possess or receive firearms under the law of the jurisdiction where the pardon, expunction, setting aside or other proceeding occurred.

**Par. 54.** Section 178.144 is revised to allow applications for relief from any Federal firearms disabilities and prescribe procedures to be followed. As revised, § 178.144 reads as follows:

**§ 178.144 Relief from disabilities under the Act.**

(a) Any person may make application for relief from the disabilities under section 922(g) and (n) of the Act (see § 178.32).

(b) An application for such relief shall be filed, in triplicate, with the Director. It shall include the information required by this section and such other supporting data as the Director and the applicant deem appropriate.

(c) Any record or document of a court or other government entity or official required by this paragraph to be furnished by an applicant in support of an application for relief shall be certified by the court or other government entity or official as a true copy. An application shall include:

(1) In the case of an applicant who is an individual, a written statement from

each of 3 references, who are not related to the applicant by blood or marriage and have known the applicant for at least 3 years, recommending the granting of relief;

(2) Written consent to examine and obtain copies of records and to receive statements and information regarding the applicant's background, including records, statements and other information concerning employment, medical history, military service, and criminal record;

(3) In the case of an applicant under indictment, a copy of the indictment or information;

(4) In the case of an applicant having been convicted of a crime punishable by imprisonment for a term exceeding 1 year, a copy of the indictment or information on which the applicant was convicted, the judgment of conviction or record of any plea of nolo contendere or plea of guilty or finding of guilt by the court, and any pardon, expunction, setting aside or other record purporting to show that the conviction was rendered nugatory;

(5) In the case of an applicant who has been adjudicated a mental defective or committed to a mental institution, a copy of the order of a court, board, commission, or other lawful authority that made the adjudication or ordered the commitment, any petition that sought to have the applicant so adjudicated or committed, any medical records reflecting the reasons for commitment and diagnoses of the applicant, and any court order or finding of a court, board, commission, or other lawful authority showing the applicant's discharge from commitment, restoration of mental competency and the restoration of rights;

(6) In the case of an applicant who has been discharged from the Armed Forces under dishonorable conditions, a copy of the applicant's summary of service record (Department of Defense Form 214), charge sheet (Department of Defense Form 458), and final court martial order; and

(7) In the case of an applicant who, having been a citizen of the United States, has renounced his or her citizenship, a copy of the formal renunciation of nationality before a diplomatic or consular officer of the United States in a foreign State or before an officer designated by the Attorney General when the United States was in a state of war (see 8 U.S.C. 1481(a)(5) and (6)).

(d) The Director may grant relief to an applicant if it is established to the satisfaction of the Director that the circumstances regarding the disability,



and the applicant's record and reputation, are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

(e) In addition to meeting the requirements of paragraph (d) of this section, an applicant who has been adjudicated a mental defective or committed to a mental institution will not be granted relief unless the applicant was subsequently determined by a court, board, commission, or other lawful authority to have been restored to mental competency, to be no longer suffering from a mental disorder, and to have had all rights restored.

(f) Upon receipt of an incomplete or improperly executed application for relief, the applicant shall be notified of the deficiency in the application. If the application is not corrected and returned within 30 days following the date of notification, the application shall be considered as having been abandoned.

(g) Whenever the Director grants relief to any person pursuant to this section, a notice of such action shall be promptly published in the **Federal Register**, together with the reasons therefor.

(h) A person who has been granted relief under this section shall be relieved of any disabilities imposed by the Act with respect to the acquisition, receipt, transfer, shipment, transportation, or possession of firearms or ammunition and incurred by reason of such disability.

(i)(1) A licensee who is convicted of a crime punishable by imprisonment for a term exceeding 1 year during the term of a current license or while the licensee has pending a license renewal application, and who files an application for removal of disabilities resulting from such conviction, shall not be barred from licensed operations for 30 days after the date upon which the conviction becomes final, and if the licensee files the application for relief as provided by this section within such 30-day period, the licensee may further continue licensed operations during the pendency of the application. A licensee who does not file such application within 30 days from the date the conviction becomes final shall not continue licensed operations beyond 30 days from the date the conviction becomes final.

(2) In the event the term of a license of a person expires during the 30-day period following the date upon which the conviction becomes final or during the pendency of the application for relief, a timely application for renewal of the license must be filed in order to continue licensed operations. Such

license application shall show that the applicant has been convicted of a crime punishable by imprisonment for a term exceeding 1 year.

(3) A licensee shall not continue licensed operations beyond 30 days following the date the Director issues notification that the licensee's application for removal of disabilities resulting from a conviction has been denied.

(4) When as provided in this section a licensee may no longer continue licensed operations, any application for renewal of license filed by the licensee during the term of the indictment or the pendency of the application for removal of disabilities resulting from such conviction, shall be denied by the Regional director (compliance).

**Par. 55.** Section 178.145 is revised to make a conforming change. As revised, § 178.145 reads as follows:

#### § 178.145 Research organizations.

The provisions of § 178.98 with respect to the sale or delivery of destructive devices, machine guns, short-barreled shotguns, and short-barreled rifles shall not apply to the sale or delivery of such devices and weapons to any research organization designated by the Director to receive same. A research organization desiring such designation shall submit a letter application, in duplicate, to the Director. Such application shall contain the name and address of the research organization, the names and addresses of the persons directing or controlling, directly or indirectly, the policies and management of such organization, the nature and purpose of the research being conducted, a description of the devices and weapons to be received, and the identity of the person or persons from whom such devices and weapons are to be received.

**Par. 56.** Section 178.147 is revised to clarify provisions for licensees returning a firearm to a nonlicensee. As revised, § 178.147 reads as follows:

#### § 178.147 Return of firearm.

A person not otherwise prohibited by Federal, State or local law may ship a firearm to a licensed importer, licensed manufacturer, or licensed dealer for any lawful purpose, and, notwithstanding any other provision of this part, the licensed manufacturer, licensed importer, or licensed dealer may return in interstate or foreign commerce to that person the firearm or a replacement firearm of the same kind and type. A person not otherwise prohibited by Federal, State or local law may ship a firearm curio or relic to a licensed collector for any lawful purpose, and,

notwithstanding any other provision of this part, the licensed collector may return in interstate or foreign commerce to that person the firearm curio or relic.

**Par. 57.** Section 178.148 is removed and a new § 178.148 is inserted to reflect the provisions for exempting certain armor-piercing ammunition from regulation. As added, new § 178.148 reads as follows:

#### § 178.148 Armor-piercing ammunition intended for sporting or industrial purposes.

The Director may exempt certain armor-piercing ammunition from the recordkeeping requirements of this part. A person who desires to obtain an exemption under this section for any such ammunition which is primarily intended for sporting purposes or intended for industrial purposes shall submit a written request to the Director. Each request shall be executed under the penalties of perjury and contain a complete and accurate description of the ammunition, the name and address of the manufacturer or importer, the purpose of and use for which it is designed and intended, and any photographs, diagrams, or drawings as may be necessary to enable the Director to make a determination. The Director may require that a sample of the ammunition be submitted for examination and evaluation.

**Par. 58.** Section 178.149 is revised to reflect changes in the seizure and forfeiture provisions. As revised, § 178.149 reads as follows:

#### § 178.149 Seizure and forfeiture.

(a) Any firearm or ammunition involved in or used in any knowing violation of subsections (a)(4), (a)(6), (f), (g), (h), (i), (j), or (k) of section 922 of the Act, or knowing importation or bringing into the United States or any possession thereof any firearm or ammunition in violation of section 922(l) of the Act, or knowing violation of section 924 of the Act, or willful violation of any other provision of the Act or of this part, or any violation of any other criminal law of the United States, or any firearm or ammunition intended to be used in any offense referred to in paragraph (c) of this section, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms, as defined in section 5845(a) of that Code, shall, so far as applicable, extend to seizures and forfeitures under the provisions of the Act: *Provided*, That upon acquittal of the owner or



possessor, or dismissal of the charges against such person other than upon motion of the Government prior to trial, the seized firearms or ammunition shall be returned forthwith to the owner or possessor or to a person delegated by the owner or possessor unless the return of the firearms or ammunition would place the owner or possessor or the delegate of the owner or possessor in violation of law. Any action or proceeding for the forfeiture of firearms or ammunition shall be commenced within 120 days of such seizure.

(b) Only those firearms or quantities of ammunition particularly named and individually identified as involved in or used in any violation of the provisions of the Act or this part, or any other criminal law of the United States or as intended to be used in any offense referred to in paragraph (c) of this section, where such intent is demonstrated by clear and convincing evidence, shall be subject to seizure, forfeiture and disposition.

(c) The offenses referred to in paragraphs (a) and (b) of this section for which firearms and ammunition intended to be used in such offenses are subject to seizure and forfeiture are:

(1) Any crime of violence, as that term is defined in section 924(c)(3) of the Act;

(2) Any offense punishable under the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.);

(3) Any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of the Act, where the firearm or ammunition intended to be used in such offense is involved in a pattern of activities which includes a violation of any offense described in section 922(a)(1), 922(a)(3), 922(a)(5), or 922(b)(3) of the Act;

(4) Any offense described in section 922(d) of the Act where the firearm or ammunition is intended to be used in such offense by the transferor of such firearm or ammunition;

(5) Any offense described in section 922(i), 922(j), 922(l), 922(n), or 924(b) of the Act; and

(6) Any offense which may be prosecuted in a court of the United States which involves the exportation of firearms or ammunition.

Par. 59. Section 178.171 is revised to correct a citation and to limit ammunition recordkeeping to armor-piercing ammunition. As revised, § 178.171 reads as follows:

#### § 178.171 Exportation.

Firearms and ammunition shall be exported in accordance with the applicable provisions of section 38 of

the Arms Export Control Act (22 U.S.C. 2778) and regulations thereunder. However, licensed manufacturers, licensed importers, and licensed dealers exporting firearms and armor-piercing ammunition shall maintain records showing the manufacture or acquisition of the firearms as required by this part and records showing the name and address of the foreign consignee of the firearms and armor-piercing ammunition and the date the firearms and armor-piercing ammunition were exported.

#### PART 179—[AMENDED]

Par. 60. The authority citation for Part 179 continues to read as follows:

Authority: 28 U.S.C. 7805.

Par. 61. The table of contents to 27 CFR Part 179 is amended to add § 179.26 to Subpart C and § 179.105 to Subpart G and an undesignated center heading preceeding § 179.105 and by revising §§ 179.161 and 179.193 and the undesignated center heading preceeding § 179.122 to read as follows:

#### PART 179—MACHINE GUNS, DESTRUCTIVE DEVICES, AND CERTAIN OTHER FIREARMS

\* \* \* \* \*

##### Sec.

179.26 Alternate methods or procedures; emergency variations from requirements.

\* \* \* \* \*

##### Machine Guns

179.105 Transfer and possession of machine guns.

\* \* \* \* \*

##### Arms Export Control Act

\* \* \* \* \*

179.161 National Firearms Act stamps.

\* \* \* \* \*

179.193 Arms Export Control Act.

Par. 62. Section 179.11 is amended by revising "Machine gun" and "Muffler or silencer" to read as follows:

#### § 179.11 Meaning of terms.

\* \* \* \* \*

*Machine gun.* Any weapon which shoots, is designed to shoot, or can be readily restored to shoot, automatically more than one shot, without manual reloading, by a single function of the trigger. The term shall also include the frame or receiver of any such weapon, any part designed and intended solely and exclusively, or combination of parts designed and intended, for use in converting a weapon into a machine gun, and any combination of parts from which a machine gun can be assembled

if such parts are in the possession or under the control of a person.

\* \* \* \* \*

*Muffler or silencer.* Any device for silencing, muffling, or diminishing the report of a portable firearm, including any combination of parts, designed or redesigned, and intended for the use in assembling or fabricating a firearm silencer or firearm muffler, and any part intended only for use in such assembly or fabrication.

\* \* \* \* \*

Par. 63. Section 179.21 is revised to change the address at which ATF forms may be obtained. As revised, § 179.21(c) reads as follows:

#### § 179.21 Forms prescribed.

\* \* \* \* \*

(c) Requests for forms should be mailed to the ATF Distribution Center, 7943 Angus Court, Springfield, Virginia 22153.

\* \* \* \* \*

Par. 64. Section 179.26 is added to allow alternate methods and procedures and emergency variations from requirements. As added, § 179.26 reads as follows:

#### § 179.26 Alternate methods or procedures; emergency variations from requirements.

(a) *Alternate methods or procedures.* Any person subject to the provisions of this part, on specific approval by the Director as provided in this paragraph, may use an alternate method or procedure in lieu of a method or procedure specifically prescribed in this part. The Director may approve an alternate method or procedure, subject to stated conditions, when it is found that:

(1) Good cause is shown for the use of the alternate method or procedure;

(2) The alternate method or procedure is within the purpose of, and consistent with the effect intended by, the specifically prescribed method or procedure and that the alternate method or procedure is substantially equivalent to that specifically prescribed method or procedure; and

(3) The alternate method or procedure will not be contrary to any provision of law and will not result in an increase in cost to the Government or hinder the effective administration of this part. Where such person desires to employ an alternate method or procedure, a written application shall be submitted to the appropriate Regional director (compliance), for transmittal to the Director. The application shall specifically describe the proposed alternate method or procedure and shall



set forth the reasons for it. Alternate methods or procedures may not be employed until the application is approved by the Director. Such person shall, during the period of authorization of an alternate method or procedure, comply with the terms of the approved application. Authorization of any alternate method or procedure may be withdrawn whenever, in the judgment of the Director, the effective administration of this part is hindered by the continuation of the authorization.

(b) *Emergency variations from requirements.* The Director may approve a method of operation other than as specified in this part, where it is found that an emergency exists and the proposed variation from the specified requirements are necessary and the proposed variations (1) will not hinder the effective administration of this part, and (2) will not be contrary to any provisions of law. Variations from requirements granted under this paragraph are conditioned on compliance with the procedures, conditions, and limitations set forth in the approval of the application. Failure to comply in good faith with the procedures, conditions, and limitations shall automatically terminate the authority for the variations, and the person granted the variance shall fully comply with the prescribed requirements of regulations from which the variations were authorized. Authority for any variation may be withdrawn whenever, in the judgment of the Director, the effective administration of this part is hindered by the continuation of the variation. Where a person desires to employ an emergency variation, a written application shall be submitted to the appropriate Regional director (compliance) for transmittal to the Director. The application shall describe the proposed variation and set forth the reasons for it. Variations may not be employed until the application is approved.

(c) *Retention of approved variations.* The person granted the variance shall retain and make available for examination by ATF officers any application approved by the Director under this section.

Par. 65. Section 179.61 is revised to show that the Director maintains the stamps pertaining to payment of the making tax. As revised, § 179.61 reads as follows:

**§ 179.61 Rate of tax.**

Except as provided in this subpart, there shall be levied, collected, and paid upon the making of a firearm a tax at the rate of \$200 for each firearm made. This tax shall be paid by the person

making the firearm. Payment of the tax on the making of a firearm shall be represented by a \$200 adhesive stamp bearing the words "National Firearms Act." The stamps are maintained by the Director.

Par. 66. Section 179.62 is revised to change the procedures in applying to make a firearm. As revised, § 179.62 reads as follows:

**§ 179.62 Application to make.**

No person shall make a firearm unless he has filed with the Director a written application on Form 1 (Firearms), Application to Make and Register a Firearm, in duplicate, executed under the penalties of perjury, to make and register the firearm and has received the approval of the Director to make the firearm which approval shall effectuate registration of the weapon to the applicant. The application shall identify the firearm to be made by serial number, type, model, caliber or gauge, length of barrel, other marks of identification, and the name and address of original manufacturer (if the applicant is not the original manufacturer). The applicant must be identified on the Form 1 (Firearms) by name and address and, if other than a natural person, the name and address of the principal officer or authorized representative and the employer identification number and, if an individual, the identification must include the date and place of birth and the social security number of the applicant and the information prescribed in § 179.63. Each applicant shall identify the Federal firearms license and special (occupational) tax stamp issued to the applicant, if any. The applicant shall also show required information evidencing that his making or possession of the firearm would not be in violation of law. Further, the applicant shall show why he intends to make the firearm. If the making is taxable, a remittance in the amount of \$200 shall be submitted with the application in accordance with the instructions on the form. If the making is taxable and the application is approved, the Director will affix a National Firearms Act stamp to the original application in the space provided therefor and properly cancel the stamp (see § 179.67). The approved application will be returned to the applicant. If the making of the firearm is tax exempt under this part, an explanation of the basis of the exemption shall be attached to the Form 1 (Firearms).

Par. 67. Section 179.63 is revised to change the procedures in identifying an applicant making a firearm. As revised, § 179.63 reads as follows:

**§ 179.63 Identification of applicant.**

If the applicant is an individual, the applicant shall securely attach to each copy of the Form 1 (Firearms), in the space provided on the form, a photograph of the applicant 2 X 2 inches in size, clearly showing a full front view of the features of the applicant with head bare, with the distance from the top of the head to the point of the chin approximately 1 1/4 inches, and which shall have been taken within 1 year prior to the date of the application. The applicant shall attach two properly completed FBI Forms FD-258 (Fingerprint Card) to the application. The fingerprints must be clear for accurate classification and should be taken by someone properly equipped to take them. A certificate of the local chief of police, sheriff of the county, head of the State police, State or local district attorney or prosecutor, or such other person whose certificate may in a particular case be acceptable to the Director, shall be completed on each copy of the Form 1 (Firearms). The certificate shall state that the certifying official is satisfied that the fingerprints and photograph accompanying the application are those of the applicant and that the certifying official has no information indicating that possession of the firearm by the maker would be in violation of State or local law or that the maker will use the firearm for other than lawful purposes.

Par. 68. Section 179.64 is revised to change the procedures in approving an application to make a firearm. As revised, § 179.64 reads as follows:

**§ 179.64 Procedure for approval of application.**

The application to make a firearm, Form 1 (Firearms), must be forwarded directly, in duplicate, by the maker of the firearm to the Director in accordance with the instructions on the form. The Director will consider the application for approval or disapproval. If the application is approved, the Director will return the original thereof to the maker of the firearm and retain the duplicate. Upon receipt of the approved application, the maker is authorized to make the firearm described therein. The maker of the firearm shall not, under any circumstances, make the firearm until the application, satisfactorily executed, has been forwarded to the Director and has been approved and returned by the Director with the "National Firearms Act" stamp affixed. If the application is disapproved, the original Form 1 (Firearms) and the remittance submitted by the applicant for the purchase of the stamp will be



returned to the applicant with the reason for disapproval stated on the form.

**Par. 69.** Section 179.84 is amended to add a sentence at the end of the section to read as follows:

**§ 179.84 Application to transfer.**

\* \* \* Any tax payable on the transfer is represented by an adhesive stamp of proper denomination being affixed to the application, Form 4 (Firearms), properly cancelled.

**Par. 70.** Section 179.85 is revised to change the procedures in identifying an applicant transferring a firearm. As revised, § 179.85 reads as follows:

**§ 179.85 Identification of transferee.**

If the transferee is an individual, such person shall securely attach to each copy of the application, Form 4 (Firearms), in the space provided on the form, a photograph of the applicant 2 X 2 inches in size, clearly showing a full front view of the features of the applicant with head bare, with the distance from the top of the head to the point of the chin approximately 1 1/4 inches, and which shall have been taken within 1 year prior to the date of the application. The transferee shall attach two properly completed FBI Forms FD-258 (Fingerprint Card) to the application. The fingerprints must be clear for accurate classification and should be taken by someone properly equipped to take them. A certificate of the local chief of police, sheriff of the county, head of the State police, State or local district attorney or prosecutor, or such other person whose certificate may in a particular case be acceptable to the Director, shall be completed on each copy of the Form 4 (Firearms). The certificate shall state that the certifying official is satisfied that the fingerprints and photograph accompanying the application are those of the applicant and that the certifying official has no information indicating that the receipt or possession of the firearm would place the transferee in violation of State or local law or that the transferee will use the firearm for other than lawful purposes.

**Par. 71.** Section 179.86 is revised to change a procedure in processing an application for the transfer of a firearm. As revised, § 179.86 reads as follows:

**§ 179.86 Action on application.**

The Director will consider a completed and properly executed application, Form 4 (Firearms), to transfer a firearm. If the application is approved, the Director will affix the appropriate National Firearms Act stamp, cancel it, and return the original

application showing approval to the transferor who may then transfer the firearm to the transferee along with the approved application. The approval of an application, Form 4 (Firearms), by the Director will effectuate registration of the firearm to the transferee. The transferee shall not take possession of a firearm until the application, Form 4 (Firearms), for the transfer filed by the transferor has been approved by the Director and registration of the firearm is effectuated to the transferee. The transferee shall retain the approved application as proof that the firearm described therein is registered to the transferee, and shall make the approved Form 4 (Firearms) available to any ATF officer on request. If the application, Form 4 (Firearms), to transfer a firearm is disapproved by the Director, the original application and the remittance for purchase of the stamp will be returned to the transferor with reasons for the disapproval stated on the application. An application, Form 4 (Firearms), to transfer a firearm shall be denied if the transfer, receipt, or possession of a firearm would place the transferee in violation of law.

**Par. 72.** Section 179.90 (a) and (b) are revised to show that the transfer of a firearm to or from governmental entities is exempt from the transfer tax. As revised, § 179.90 (a) and (b) read as follows:

**§ 179.90 Certain government entities.**

(a) A firearm may be transferred without payment of the transfer tax to or from any State, possession of the United States, any political subdivision thereof, or any official police organization of such a governmental entity engaged in criminal investigations.

(b) The exemption provided in paragraph (a) of this section shall be obtained by the transferor of the firearm filing with the Director an application, Form 5 (Firearms), Application for Tax-exempt Transfer and Registration of Firearm, in duplicate, executed under the penalties of perjury. The application shall:

(1) Show the name and address of the transferor and of the transferee;

(2) Identify the Federal firearms license and special (occupational) tax stamp, if any, of the transferor and of the transferee;

(3) Show the name and address of the manufacturer and the importer of the firearm, if known;

(4) Show the type, model, overall length (if applicable), length of barrel, caliber, gauge or size, serial number, and other marks of identification of the firearm; and

(5) Contain a statement by the transferor that the transferor is entitled to the exemption because either the transferor or the transferee is a governmental entity coming within the purview of paragraph (a) of this section. In the case of a transfer of a firearm by a governmental entity to a transferee who is a natural person not qualified as a manufacturer, importer, or dealer under this part, the transferee shall be further identified in the manner prescribed in § 179.85. If the Director approves an application, Form 5 (Firearms), the original Form 5 (Firearms) shall be returned to the transferor with the approval noted thereon. Approval of an application, Form 5 (Firearms), by the Director shall effectuate the registration of that firearm to the transferee. Upon receipt of the approved Form 5 (Firearms), the transferor shall deliver same with the firearm to the transferee. The transferor shall not transfer the firearm to the transferee until the application, Form 5 (Firearms), has been approved by the Director and the original thereof has been returned to the transferor. If the Director disapproves the application, Form 5 (Firearms), the original Form 5 (Firearms) shall be returned to the transferor with the reasons for the disapproval stated thereon. An application by a governmental entity to transfer a firearm shall be denied if the transfer, receipt, or possession of a firearm would place the transferee in violation of law.

\* \* \* \* \*

**Par. 73.** Section 179.92 is revised to change Regional director (compliance) to Director. As revised, § 179.92 reads as follows:

**§ 179.92 Transportation of firearms to effect transfer.**

Notwithstanding any provision of § 178.28 of this chapter, it shall not be required that authorization be obtained from the Director for the transportation in interstate or foreign commerce of a firearm in order to effect the transfer of a firearm authorized under the provisions of this subpart.

**Par. 74.** Section 179.102 is revised to add certain firearm parts to the last sentence of the section. As revised, the last sentence of § 179.102 reads as follows:

**§ 179.102 Identification of firearms.**

\* \* \*. A firearm frame or receiver or any other part defined as a machine gun or a muffler or silencer for the purposes of this part which is not a component part of a complete weapon at the time it is sold, shipped, or otherwise disposed



of by a manufacturer, importer, or maker shall be identified as required by this section.

Par. 75. Section 179.104 is amended to add a sentence at the end of the section concerning restrictions imposed on transfers of firearms by Governmental entities, to read as follows:

**§ 179.104 Registration of firearm by certain governmental entities.**

\* \* \*. The registration of any firearm under this section is for official use only and a subsequent transfer will be approved only to other governmental entities for official use.

Par. 76. Section 179.105 is added to prescribe procedures relating to machine guns. Section 179.105 and an undesignated center heading preceeding it are added to read as follows:

**Machine Guns**

**§ 179.105 Transfer and possession of machine guns.**

(a) *General.* As provided by 26 U.S.C. 5812 and 26 U.S.C. 5822, an application to make or transfer a firearm shall be denied if the making, transfer, receipt, or possession of the firearm would place the maker or transferee in violation of law. Section 922(o), Title 18, U.S.C., makes it unlawful for any person to transfer or possess a machine gun, except a transfer to or by, or possession by or under the authority of, the United States or any department or agency thereof or a State, or a department, agency, or political subdivision thereof; or any lawful transfer or lawful possession of a machine gun that was lawfully possessed before May 19, 1986. Therefore, notwithstanding any other provision of this part, no application to make, transfer, or import a machine gun will be approved except as provided by this section.

(b) *Machine guns lawfully possessed prior to May 19, 1986.* A machine gun possessed in compliance with the provisions of this part prior to May 19, 1986, may continue to be lawfully possessed by the person to whom the machine gun is registered and may, upon compliance with the provisions of this part, be lawfully transferred to and possessed by the transferee.

(c) *Importation and manufacture.* Subject to compliance with the provisions of this part, importers and manufacturers qualified under this part may import and manufacture machine guns on or after May 19, 1986, for sale or distribution to any department or agency of the United States or any State or political subdivision thereof, or for use by dealers qualified under this part as sales samples as provided in paragraph (d) of this section. The

registration of such machine guns under this part and their subsequent transfer shall be conditioned upon and restricted to the sale or distribution of such weapons for the official use of Federal, State or local governmental entities. Subject to compliance with the provisions of this part, manufacturers qualified under this part may manufacture machine guns on or after May 19, 1986, for exportation in compliance with the Arms Export Control Act (22 U.S.C. 2778) and regulations prescribed thereunder by the Department of State.

(d) *Dealer sales samples.* Subject to compliance with the provisions of this part, applications to transfer and register a machine gun manufactured or imported on or after May 19, 1986, to dealers qualified under this part will be approved if it is established by specific information the expected governmental customers who would require a demonstration of the weapon, information as to the availability of the machine gun to fill subsequent orders, and letters from governmental entities expressing a need for a particular model or interest in seeing a demonstration of a particular weapon. Applications to transfer more than one machine gun of a particular model to a dealer must also establish the dealer's need for the quantity of samples sought to be transferred.

(e) *The making of machine guns on or after May 19, 1986.* Subject to compliance with the provisions of this part, applications to make and register machine guns on or after May 19, 1986, for the benefit of a Federal, State or local governmental entity (e.g., an invention for possible future use of a governmental entity or the making of a weapon in connection with research and development on behalf of such an entity) will be approved if it is established by specific information that the machine gun is particularly suitable for use by Federal, State or local governmental entities and that the making of the weapon is at the request and on behalf of such an entity.

(f) *Discontinuance of business.* Since section 922(o), Title 18, U.S.C., makes it unlawful to transfer or possess a machine gun except as provided in the law, any qualified manufacturer, importer, or dealer intending to discontinue business shall, prior to going out of business, transfer in compliance with the provisions of this part any machine gun manufactured or imported after May 19, 1986, to a Federal, State or local governmental entity, manufacturer, importer, or, subject to the provisions of paragraph (d) of this section, dealer qualified to possess such machine gun.

Par. 77. Section 179.112 is amended by revising paragraph (a) and adding paragraph (d) to read as follows:

**§ 179.112 Registration of imported firearms.**

(a) Each importer shall file with the Director an accurate notice on Form 2 (Firearms), Notice of Firearms Manufactured or Imported, executed under the penalties of perjury, showing the importation of a firearm. The notice shall set forth the name and address of the importer, identify the importer's special (occupational) tax stamp and Federal firearms license, and show the import permit number, the date of release from Customs custody, the type, model, length of barrel, overall length, caliber, gauge or size, serial number, and other marks of identification of the firearm imported, and the place where the imported firearm will be kept. The Form 2 (Firearms) covering an imported firearm shall be filed by the importer no later than fifteen (15) days from the date the firearm was released from Customs custody. The importer shall prepare the notice, Form 2 (Firearms), in duplicate, file the original return as prescribed herein, and keep the copy with the records required by Subpart I of this part at the premises covered by the special (occupational) tax stamp. The timely receipt by the Director of the notice, Form 2 (Firearms), and the timely receipt by the Director of the copy of Form 6A (Firearms), Release and Receipt of Imported Firearms, Ammunition and Implements of War, required by § 178.112 of this chapter, covering the weapon reported on the Form 2 (Firearms) by the qualified importer, shall effectuate the registration of the firearm to the importer.

\* \* \* \* \*

(d) Subject to compliance with the provisions of this part, an application, Form 6 (Firearms), to import a firearm by an importer or dealer qualified under this part, for use as a sample in connection with sales of such firearms to Federal, State or local governmental entities, will be approved if it is established by specific information attached to the application that the firearm is particularly suitable for use by such entities. Such information must show why a sales sample of a particular firearm is suitable for such use and the expected governmental customers who would require a demonstration of the firearm. Information as to the availability of the firearm to fill subsequent orders and letters from governmental entities expressing a need for a particular model or interest in



seeing a demonstration of a particular firearm would establish suitability for governmental use. Applications to import more than one firearm of a particular model for use as a sample by an importer or dealer must also establish the importer's or dealer's need for the quantity of samples sought to be imported.

**Par. 78.** Section 179.113 is revised to add the name of the form to be filed for conditional importations. As revised, § 179.113 reads as follows:

**§ 179.113 Conditional importation.**

The Director may permit the conditional importation or bringing into the United States of any firearm for the purpose of examining and testing the firearm in connection with making a determination as to whether the importation or bringing in of such firearm will be authorized under this subpart. An application under this section shall be filed on Form 6 (Firearms), in triplicate, with the Director. The Director may impose conditions upon any importation under this section including a requirement that the firearm be shipped directly from Customs custody to the Director and that the person importing or bringing in the firearm must agree to either export the weapon or destroy it if a final determination is made that it may not be imported or brought in under this subpart. A firearm so imported or brought into the United States may be released from Customs custody in the manner prescribed by the conditional authorization of the Director.

**Par. 79.** Section 179.119 is amended to change Regional director (compliance) to the Director. As revised, § 179.119 reads as follows:

**§ 179.119 Transportation of firearms to effect exportation.**

Notwithstanding any provision of § 178.28 of this chapter, it shall not be required that authorization be obtained from the Director for the transportation in interstate or foreign commerce of a firearm in order to effect the exportation of a firearm authorized under the provisions of this subpart.

**Par. 80.** Paragraph (a) of § 179.122 and the undesignated center heading preceding it are revised to read as follows:

**Arms Export Control Act**

**§ 179.122 Requirements.**

(a) Persons engaged in the business of importing firearms are required by the Arms Export Control Act (22 U.S.C. 2778) to register with the Director. (See Part 47 of this chapter.)

\* \* \*

**Par. 81.** Sections 179.161 and 179.162 are revised to change the procedure for obtaining "National Firearms Act" stamps. As revised, §§ 179.161 and 179.162 read as follows:

**§ 179.161 National Firearms Act stamps.**

"National Firearms Act" stamps evidencing payment of the transfer tax or tax on the making of a firearm are maintained by the Director. The remittance for purchase of the appropriate tax stamp shall be submitted with the application. Upon approval of the application, the Director will cause the appropriate tax to be paid by affixing the appropriate stamp to the application.

**§ 179.162 Stamps authorized.**

Adhesive stamps of the \$5 and \$200 denomination, bearing the words "National Firearms Act," have been prepared and only such stamps shall be used for the payment of the transfer tax and for the tax on the making of a firearm.

**Par. 82.** Sections 179.171 and 179.172 are revised to change the procedure for filing claims for redemption and refunds on purchased "National Firearms Act" stamps. As revised, §§ 179.171 and 179.172 read as follows:

**§ 179.171 Redemption of or allowance for stamps.**

Where a "National Firearms Act" stamp is destroyed, mutilated or rendered useless after purchase, and before liability has been incurred, such stamp may be redeemed by giving another stamp in lieu thereof. Claim for redemption of the stamp should be filed on Form 843 with the Director. Such claim shall be accompanied by the stamp or by a satisfactory explanation of the reasons why the stamp cannot be returned, and shall be filed within 3 years after the purchase of the stamp.

(68A Stat. 830; 26 U.S.C. 6805)

**§ 179.172 Refunds.**

As indicated in this part, the transfer tax or tax on the making of a firearm is ordinarily paid by the purchase and affixing of stamps, while special tax stamps are issued in payment of special (occupational) taxes. However, in exceptional cases, transfer tax, tax on the making of firearms, and/or special (occupational) tax may be paid pursuant to assessment. Claims for refunds of such taxes, paid pursuant to assessment, shall be filed on Form 843 within 3 years next after payment of the taxes. Such claims shall be filed with the Director of the Service Center serving the internal revenue district in which the tax was paid. (For provisions relating to hand-

carried documents and manner of filing, see §§ 301.6091-1(b) and 301.6402-2(a), respectively, of this chapter.) When an applicant to make or transfer a firearm wishes a refund of the tax paid on an approved application where the firearm was not made pursuant to an approved Form 1 (Firearms) or transfer of the firearm did not take place pursuant to an approved Form 4 (Firearms), the applicant shall file a claim for refund of the tax on Form 843 with the Director. The claim shall be accompanied by the approved application bearing the stamp and an explanation why the tax liability was not incurred. Such claim shall be filed within 3 years next after payment of the tax.

(68A Stat. 808, 830; 26 U.S.C. 6511, 6805)

**Par. 83.** Section 179.182 is revised to correct a citation. As revised, § 179.182 reads as follows:

**§ 179.182 Forfeitures.**

Any firearm involved in any violation of the provisions of 26 U.S.C. Chapter 53, shall be subject to seizure, and forfeiture under the internal revenue laws: *Provided, however,* That the disposition of forfeited firearms shall be in conformance with the requirements of 26 U.S.C. 5872. In addition, any vessel, vehicle or aircraft used to transport, carry, convey or conceal or possess any firearm with respect to which there has been committed any violation of any provision of 26 U.S.C. Chapter 53, or the regulations in this part issued pursuant thereto, shall be subject to seizure and forfeiture under the Customs laws, as provided by the act of August 9, 1939 (49 U.S.C. App., 781-788).

**Par. 84.** Section 179.193 is revised to change the Mutual Security Act to the Arms Export Control Act. As revised, § 179.193 reads as follows:

**§ 179.193 Arms Export Control Act.**

For provisions relating to the registration and licensing of persons engaged in the business of manufacturing, importing or exporting arms, ammunition, or implements of war, see the Arms Export Control Act (22 U.S.C. 2778), and the regulations issued pursuant thereto. (See also Part 47 of this chapter.)

Signed: August 15, 1986.

Stephen E. Higgins,  
Director.

Approved: August 27, 1986.

Francis A. Keating,  
Assistant Secretary (Enforcement).  
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