

TITLE XXXV.
INTERNAL REVENUE.

CHAPTER ONE.

OFFICERS OF INTERNAL REVENUE.

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Definition of the word "State."

30 June, 1864, c. 173, s. 182, v. 13, p. 306.

Collection districts.

30 June, 1864, c. 173, s. 7, v. 13, p. 224.

12 July, 1870, c. 251, s. 1, v. 16, p. 239.

1 July, 1862, c. 119, s. 2, v. 12, p. 433.

Collectors.

30 June, 1864, c. 173, s. 7, v. 13, p. 224.

1 July, 1862, c. 119, s. 2, v. 12, p. 433.

14 July, 1870, c. 255, s. 18, v. 16, p. 261.

SEC. 3140. The word "State," when used in this Title, shall be construed to include the Territories and the District of Columbia, where such construction is necessary to carry out its provisions.

SEC. 3141. For the purpose of assessing, levying, and collecting the taxes provided by the internal-revenue laws, the President may establish convenient collection-districts, and for that purpose he may subdivide any State, Territory, or the District of Columbia, or may unite two or more States or Territories into one district, and may from time to time alter said districts: *Provided*, That the number of districts in any State shall not exceed the number of Representatives in Congress to which such State was entitled in the Thirty-seventh Congress, except in such States as were entitled to an increased representation in the Thirty-eighth Congress, in which States the number of districts shall not exceed the number of Representatives to which any such State was so entitled: *And provided further*, That in the State of California the President may establish a number of districts not exceeding the number of Senators and Representatives to which said State is entitled, in the Thirty-seventh Congress.

SEC. 3142. The President, by and with the advice and consent of the Senate, shall appoint for each collection-district a collector, who shall be a resident of the same. When two or more collection-districts are united by him, he may designate from among the existing officers of such districts one collector for the new district, or, at his discretion, he may make a new appointment of such officer for said district.

SEC. 3143. Every collector, before entering upon the duties of his office, shall execute a bond for such amount as may be prescribed by the Commissioner of Internal Revenue, under the direction of the Secretary of the Treasury, with not less than five sureties, to be approved by the Solicitor of the Treasury, conditioned that said collector shall faithfully perform the duties of his office according to law, and shall justly and faithfully account for and pay over to the United States, in compliance with the order or regulations of the Secretary of the Treasury, all public moneys which may come into his hands or possession; and he shall, from time to time, renew, strengthen, and increase his official bond, as the Secretary of the Treasury may direct, with such further conditions as the said Commissioner shall prescribe. Said bonds shall be filed in the office of the First Comptroller of the Treasury.

Collectors' bonds.
30 June, 1864, c. 137, s. 9, v. 13, p. 225.

SEC. 3144. It shall be the duty of such collectors of internal revenue as may be designated by the Secretary of the Treasury to act as disbursing agents of the Treasury for the payment of all expenses of collection of taxes and other expenditures for the internal revenue service within their respective districts, under regulations and instructions from the Secretary of the Treasury, on giving good and sufficient bond, with such sureties, in such form, and in such penal sum as shall be prescribed by the First Comptroller of the Treasury, and approved by the Secretary of the Treasury, for the faithful performance of their duties as such disbursing agents; but no additional compensation shall be paid to collectors for such services. [See §§ 1788-1790.]

Collectors to be disbursing agents.
3 March, 1865, c. 78, s. 4, v. 13, p. 483.

SEC. 3145. There shall be allowed to collectors, in full compensation for their services, and for those of their deputies, a salary of fifteen hundred dollars per annum, to be paid quarterly, and, in addition thereto, a commission of three per centum upon the first hundred thousand dollars, of one per centum upon all sums above one hundred thousand dollars and not exceeding four hundred thousand dollars, and of one-half of one per centum on all sums above four hundred thousand dollars and not exceeding one million dollars, and of one-eighth of one per centum on all sums above one million of dollars; such commissions to be computed upon the amounts by them respectively collected and paid over and accounted for under the instructions of the Treasury Department; except that in determining the compensation to be allowed to any collector the commission shall be computed on only one half of the tax received on any articles which shall have been transported from his district in bond, and on only one-half of the tax received on any articles received in his district in bond, where such transportation has been by shipment from one district to another. And there shall be further paid, after the account thereof has been rendered to and approved by the proper officers of the Treasury, to each collector his necessary and reasonable charges for advertising, stationery, and blank-books used in the performance of his official duties, and for postage actually paid on letters and documents received or sent, and exclusively relating to official business; but no such account shall be allowed unless it states the date and the particular items of every such expenditure, and is verified by the oath of the collector. The Secretary of the Treasury may make such further allowances, from time to time, as may be reasonable, in cases where, by reason of the territorial extent of the district, or the amount of internal taxes collected, or other circumstances, it may seem just to make such allowances. But the total net compensation of a collector shall not in any case exceed four thousand five hundred dollars a year; and no collector shall be entitled to any portion of the salary pertaining to his office unless he shall have been confirmed by the Senate, except in cases of commissions to fill vacancies which happen by death or resignation during the recess of the Senate.

Collectors' salary and allowances.

30 June, 1864, c. 173, s. 25, v. 13, p. 231.
3 March, 1865, c. 78, s. 1, v. 13, p. 469.
13 July, 1866, c. 184, s. 9, v. 14, p. 106.
2 March, 1867, c. 169, s. 9, v. 14, p. 473.
2 March, 1867, c. 166, s. 1, v. 14, p. 445.
3 March, 1873, c. 226, s. 1, v. 17, p. 494.

SEC. 3146. In adjusting the accounts of collectors, accruing after June thirtieth, eighteen hundred and sixty-four, and in the payment of their compensation for services, the fiscal year of the Treasury shall be observed.

Accounts of collectors adjusted according to fiscal year.

Apportionment
of compensation of
collectors.

13 July, 1866, c.
184, s. 9, v. 14, p.
106.

30 June, 1864, c.
173, s. 26, v. 13, p.
232.

Deputy collect-
ors.

30 June, 1864, c.
173, s. 10, v. 13, p.
225.

Disability or va-
cancy in office of
collector.

30 June, 1864, c.
173, ss. 39, 40, v. 13,
p. 238.

3 March, 1865, c.
78, s. 1, v. 13, p. 471.

2 March, 1867, c.
169, s. 9, v. 14, p.
473.

Deputy collector,
when entitled to
collector's salary.

1 July, 1870, c.
187, v. 16, p. 179.

1 March, 1869, c.
57, s. 1, v. 15, p. 282.

Inspectors of to-
bacco and cigars.

30 June, 1864, c.

SEC. 3147. When any part of the compensation of the collector of any district is by commission upon assessments or collections, and, in consequence of a new appointment, is due to more than one collector within the same year, such commissions shall be apportioned between such collectors; but in no case shall a greater amount of the commissions be allowed to two or more collectors in the same district than shall have been authorized by law to be allowed to one collector, and the same rules shall apply to the salaries and commissions of assessors and collectors heretofore earned and accrued. But no payment shall be made to collectors, on account of salaries or commissions, without the certificate of the Commissioner of Internal Revenue that all reports required by law or regulation have been received, or that a satisfactory explanation has been rendered to him of the cause of delay.

SEC. 3148. Each collector shall be authorized to appoint, by an instrument in writing, under his hand, as many deputies as he may think proper, to be by him compensated for their services; to revoke any such appointment, giving such notice thereof as the Commissioner of Internal Revenue may prescribe; and to require and accept bonds or other securities from such deputies. Each such deputy shall have the like authority, in every respect, to collect the taxes levied or assessed within the portion of the district assigned to him, which is by law vested in the collector himself; but each collector shall, in every respect, be responsible both to the United States and to individuals, as the case may be, for all moneys collected, and for every act done or neglected to be done by any of his deputies while acting as such.

SEC. 3149. In case of the sickness of a collector or of his temporary disability to discharge his duties, they may be devolved by him upon one of his deputies; and for the official acts or defaults of such deputy the collector and his sureties shall be held responsible to the United States. In case of a vacancy occurring in the office of collector, the deputies of such collector shall continue to act until his successor is appointed; and until a successor is appointed the deputy of such collector senior in service shall discharge all the duties of collector; and of two or more deputies appointed on the same day, the one residing nearest the residence of the collector when the vacancy occurred shall discharge the said duties until another collector is appointed: *Provided*, That when it appears to the Secretary of the Treasury that the interest of the Government so requires, he may, by his order, direct the said duties to be performed by such other one of the said deputies as he may designate. For the official acts and defaults of such senior deputy, remedy shall be had on the official bond of the collector, as in other cases. And any bond or security taken from a deputy by a collector, pursuant to the preceding section, shall be available to his legal representatives and sureties to indemnify them for loss or damage accruing from any act or omission of duty by the deputy so continuing or succeeding to the duties of such collector.

SEC. 3150. Any deputy collector who has performed or may perform, under authority of law, the duties of any collector in consequence of a vacancy in the office of said collector, shall be entitled to receive the salary and commissions allowed by law to such collector, or the allowance in lieu of said salary and commissions allowed by the Secretary of the Treasury to such collector, and the Secretary of the Treasury may make to such deputy collector such allowance in lieu of salary and commissions as he might lawfully make to such collector. And such deputy shall not be debarred from receiving such salary and commissions, or allowances in lieu thereof, by reason of the holding of another Federal office by said collector during the time for which such deputy acts as collector. But all payments to such deputy collector shall be upon duly audited vouchers.

SEC. 3151. There shall be appointed by the Secretary of the Treasury, in every collection-district where they may be necessary, one or more inspectors of tobacco and cigars, who shall take an oath faithfully to

perform their duties, in such form as the Commissioner of Internal Revenue may prescribe, and shall be entitled to receive such fees as he may prescribe, to be paid by the owner or manufacturer of the articles inspected. Such inspectors shall be required to give bonds, with security approved by the Secretary of the Treasury, or collector of the district, in a sum not less than five thousand dollars, conditioned for the faithful discharge of the duties of such inspector.

SEC. 3152. The Commissioner of Internal Revenue may, whenever in his judgment the necessities of the service so require, employ competent agents, not exceeding at any time twenty-five in number, to be paid such compensation as he may deem proper, not exceeding, in aggregate, any appropriation made for that purpose, and he may, at his discretion, assign any such agent to duty under the direction of any officer of internal revenue, or to such other special duty as he may deem necessary; and no general or special agent or inspector, by whatever designation he may be known, of the Treasury Department in connection with the internal revenue, except inspectors of tobacco, snuff, and cigars, and except as provided for in this Title, shall be appointed, commissioned, employed, or continued in office. [See § 5448.]

SEC. 3153. There shall be appointed by the Secretary of the Treasury such number of internal-revenue store-keepers as may be necessary, who shall each receive such compensation, not exceeding five dollars a day, to be paid monthly by the United States, as may be determined by the Commissioner of Internal Revenue. No store-keeper shall be engaged in any other business while in the service of the United States, without the written permission of the Commissioner of Internal Revenue. Every store-keeper shall take an oath faithfully to perform the duties of his office, and shall give a bond, to be approved by the Commissioner of Internal Revenue, for the faithful discharge of his duties, in such form and for such amount as the Commissioner may prescribe.

SEC. 3154. One or more store-keepers shall be assigned by the Commissioner of Internal Revenue to every bonded or distillery warehouse established by law; and any store-keeper may be transferred by the supervisor on duty in the district, or by the Commissioner of Internal Revenue, from one warehouse to another.

SEC. 3155. In case of the absence of any internal-revenue store-keeper by reason of sickness or other cause, the collector having control of the warehouse may designate a person to have temporary charge thereof, who shall, during such absence, perform the duties and receive the pay of the store-keeper for the time he may be so employed, and shall for any violation of the law be subject to the same punishment as store-keepers.

SEC. 3156. The Secretary of the Treasury shall appoint in every collection-district where they may be necessary, one or more internal-revenue gaugers, who shall each take an oath faithfully to perform his duties, and shall give bond, with one or more sureties, satisfactory to the Commissioner of Internal Revenue, for the faithful discharge of the duties assigned to him by law or regulations; and the penal sum of said bond shall not be less than five thousand dollars, and said bond shall be renewed or strengthened as the Commissioner of Internal Revenue may require. The duties of every such gauger shall be performed under the supervision and direction of the collector of the district to which he may be assigned, or of the collector in charge of exports at any port of entry to which he may be assigned.

SEC. 3157. Gaugers shall be entitled to receive such fees, to be determined by the quantity gauged, as may be prescribed by the Commissioner of Internal Revenue; and said fees, together with their actual and necessary traveling expenses, shall be verified by their oaths, and shall be paid by the United States monthly.

173, s. 58, v. 13, p. 244.

20 July, 1868, c. 186, s. 50, v. 15, p. 145.

13 July, 1866, c. 184, s. 29, v. 14, p. 155.

2 March, 1867, c. 169, s. 17, v. 14, p. 481.

Agents.

20 July, 1868, c. 186, s. 50, v. 15, p. 145.

6 June, 1872, c. 315, s. 12, v. 17, p. 241.

2 March, 1867, c. 169, s. 7, v. 14, p. 473.

Store-keepers and their salaries.

20 July, 1868, c. 186, s. 52, v. 15, p. 145.

29 March, 1869, Res. 5, v. 16, p. 52.

12 July, 1870, c. 251, s. 1, v. 16, p. 239.

6 June, 1872, c. 315, s. 14, v. 17, p. 244.

Assignment and transfer of store-keepers.

20 July, 1868, c. 186, s. 52, v. 15, p. 145.

146. 6 June, 1872, c. 315, s. 12, v. 17, p. 241.

Temporary store-keeper.

20 July, 1868, c. 186, s. 52, v. 15, p. 146.

Gaugers.

20 July, 1868, c. 186, s. 53, v. 15, p. 147.

Gaugers' fees.

20 July, 1868, c. 186, s. 53, v. 15, p. 147.

6 June, 1872, c. 315, s. 14, v. 17, p. 244.

Statement under oath of fees, &c.; penalty.

13 July, 1866, c. 184, s. 60, v. 14, p. 168.
30 June, 1864, c. 173, s. 42, v. 13, p. 239.

Supervisors.

20 July, 1869, c. 186, s. 49, v. 15, p. 144.
6 June, 1872, c. 315, s. 12, v. 17, p. 241.

Supervisor's salary.

20 July, 1868, c. 186, s. 49, v. 15, p. 145. 6 June, 1872, c. 315, s. 12, v. 17, p. 241.

Officers in charge of exportations and drawbacks.

3 March, 1865, c. 78, s. 15, v. 13, p. 486.
13 July, 1866, c. 184, ss. 20, 41, v. 14, pp. 153, 161.

Superintendents of exports and drawbacks may administer oaths.

3 March, 1865, c. 78, s. 15, v. 13, p. 486. 13 July, 1866, c. 184, s. 20, v. 14, p. 153.

Supervisor's duties and powers.

20 July, 1868, c. 186, ss. 49, 51, v. 15, pp. 144, 145.
6 June, 1872, c. 315, s. 12, v. 17, p. 241.
24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Matter of Meador, 1 Abb. U. S., 317; Stanwood vs. Green, 2 Abb. U. S., 184.

SEC. 3158. Every internal-revenue officer, whose payment, charges, salary, or compensation are composed, wholly or in part, of fees, commissions, allowances, or rewards, from whatever source derived, shall be required to render to the Commissioner of Internal Revenue, under regulations to be approved by the Secretary of the Treasury, a statement under oath setting forth the entire amount of such fees, commissions, emoluments, or rewards of whatever nature, or from whatever source received, during the time for which said statement is rendered; and any false statement knowingly and willfully rendered under the requirements of this section, or regulations established in accordance therewith, shall be deemed willful perjury, and punished in the manner provided by law for the crime of perjury. And any neglect or omission to render such statement when required shall be punished by a fine of not less than hundred dollars, nor more than five hundred dollars, in the discretion of the court.

SEC. 3159. The President, by and with the advice and consent of the Senate, may appoint not exceeding ten officers, to be called supervisors of internal revenue, each of whom shall be assigned by the Secretary of the Treasury, on the recommendation of the Commissioner of Internal Revenue, to duty in any part of the United States, and may be transferred from place to place, according to the exigency of the public service.

SEC. 3160. Every supervisor shall be entitled to receive, in addition to expenses necessarily incurred by him and allowed and certified by the Commissioner, such salary, not exceeding three thousand dollars a year, as the Commissioner may deem reasonable.

SEC. 3161. In any port of the United States where there is more than one collector of internal revenue, the Secretary of the Treasury may designate one of them to have charge of all matters relating to the exportation of articles subject to tax under the internal-revenue laws; and at any port where he may deem it necessary, there shall be appointed by him an officer to superintend all matters of exportation and drawback, under the direction of the collector. The compensation of the officers last named shall be prescribed by the Secretary of the Treasury, but shall not exceed, in any case, an annual rate of two thousand dollars, excepting at New York, where such compensation shall be at the annual rate of three thousand dollars. At any port where there is no superintendent of exports, all the duties and services required of such officers shall be performed by the collector of internal revenue designated to have charge of exportation. All the books, papers, and documents in the bureau of drawbacks in the respective ports, relating to the drawback of taxes paid under the internal-revenue laws, shall be delivered to the collector of internal revenue in charge of exportation. [See §§ 3015-3057.]

SEC. 3162. Every collector of internal revenue and every superintendent of exports and drawbacks is authorized to administer such oaths and to certify to such papers as may be necessary under any regulation prescribed under the authority of the internal-revenue laws.

SEC. 3163. Every supervisor, under the direction of the Commissioner, shall see that all laws and regulations relating to the collection of internal taxes are faithfully executed and complied with; and shall aid in the prevention, detection, and punishment of any frauds in relation thereto, and examine into the efficiency and conduct of all officers of internal revenue; and for such purposes he shall have power to examine all persons, books, papers, accounts, and premises, to administer oaths, and to summon any person to produce books and papers, or to appear and testify under oath before him, and to compel a compliance with such summons in the same manner as collectors may do. He shall report in writing to the Commissioner of Internal Revenue any neglect of duty, incompetency, delinquency, or malfeasance in office of any internal-revenue officer of which he may obtain knowledge, with a state-

ment of all the facts in each case, and any evidence sustaining the same. He may, by notice in writing, suspend from duty any inspector, gauger, or store-keeper, and he may suspend any collector for fraud, or gross neglect of duty, or abuse of power. In case of the suspension of any inspector, gauger, or store-keeper, he shall immediately notify the collector of the proper district and the Commissioner of Internal Revenue, and within three days thereafter report his action and his reasons therefor, in writing, to the Commissioner. In case of the suspension of any collector, he shall immediately report his action to the Commissioner, with his reasons therefor, in writing, and the Commissioner, in all cases of suspension, shall thereupon take such action as he may deem proper. Every supervisor may also transfer any inspector, gauger, or store-keeper from one distillery, or other place of duty, or from one collection-district, to another.

SEC. 3164. It shall be the duty of every collector of internal revenue to report within ten days to the district attorney of the district in which any fine, penalty, or forfeiture may be incurred for the violation of any law of the United States relating to the revenue, a statement of all the facts and circumstances of the case within his knowledge, together with the names of the witnesses, and which may come to his knowledge from time to time, stating the provisions of the law believed to be violated, and on which a reliance may be had for condemnation or conviction; and if any collector shall in any case fail to report to the proper district attorney as prescribed in this section, his right to any compensation, benefit, or allowance in such case shall be forfeited to the United States, and the same may, in the discretion of the Secretary of the Treasury, be awarded to such persons as may make complaint and prosecute the same to judgment or conviction. [See § 338.]

SEC. 3165. Every collector, deputy collector, and inspector is authorized to administer oaths and to take evidence touching any part of the administration of the internal-revenue laws with which he is charged, or where such oaths and evidence are authorized by law to be taken.

30 June, 1864, c. 173, s. 52, v. 13, p. 242. 3 March, 1865, c. 78, s. 1, v. 13, p. 471.

SEC. 3166. Any officer of internal revenue may be specially authorized by the Commissioner of Internal Revenue to seize any property which may by law be subject to seizure, and for that purpose such officer shall have all the power conferred by law upon collectors; and such special authority shall be limited in respect of time, place, and kind and class of property, as the Commissioner may specify: *Provided*, That no collector shall be detailed or authorized to discharge any duty imposed by law upon any other collector.

SEC. 3167. If any collector or deputy collector, or any inspector, or other officer acting under the authority of any revenue law of the United States, divulges to any party, or makes known in any other manner than may be provided by law, the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, he shall be subject to a fine of not exceeding one thousand dollars, or to be imprisoned for not exceeding one year, or to both, at the discretion of the court, and shall be dismissed from office, and be forever thereafter incapable of holding any office under the Government.

SEC. 3168. Any internal-revenue officer who is or shall become interested, directly or indirectly, in the manufacture of tobacco, snuff, or cigars, or in the production, rectification, or redistillation of distilled spirits, shall be dismissed from office; and every officer who becomes so interested in any such manufacture or production, rectification, or redistillation, or in the production of fermented liquors, shall be fined not less than five hundred dollars nor more than five thousand dollars.

SEC. 3169. Every officer or agent appointed and acting under the authority of any revenue law of the United States—

Duty of collectors to report violations of law to district attorney.

3 March, 1873, c. 244, v. 17, p. 580.

Revenue officers who may administer oaths and take evidence.

Revenue officers authorized to make seizures.

2 March, 1867, c. 169, s. 19, v. 14, p. 482.

20 July, 1868, c. 186, s. 51, v. 15, p. 145.

Revenue officers disclosing operations of manufacturers, &c.; penalty.

30 June, 1864, c. 173, ss. 36, 38, v. 13, p. 238.

3 March, 1865, c. 78, s. 1, v. 13, pp. 469, 471.

Officers not to be interested in certain manufactures; penalty.

13 July, 1866, c. 184, s. 59, v. 14, p. 167.

20 July, 1868, c. 186, s. 97, v. 15, p. 164.

Officers of internal revenue guilty of extortion, ro-

ceiving unlawful fees, and other unlawful acts.

20 July, 1868, c. 186, s. 98, v. 15, p. 165.

First. Who is guilty of any extortion or willful oppression under color of law; or,

Second. Who knowingly demands other or greater sums than are authorized by law, or receives any fee, compensation, or reward, except as by law prescribed, for the performance of any duty; or,

Third. Who willfully neglects to perform any of the duties enjoined on him by law; or,

Fourth. Who conspires or colludes with any other person to defraud the United States; or,

Fifth. Who makes opportunity for any person to defraud the United States; or,

Sixth. Who does or omits to do any act with intent to enable any other person to defraud the United States; or,

Seventh. Who negligently or designedly permits any violation of the law by any other person; or,

Eighth. Who makes or signs any false entry in any book, or makes or signs any false certificate or return, in any case where he is by law or regulation required to make any entry, certificate, or return; or,

Ninth. Who, having knowledge or information of the violation of any revenue law by any person, or of fraud committed by any person against the United States under any revenue law, fails to report, in writing, such knowledge or information to his next superior officer and to the Commissioner of Internal Revenue; or,

Tenth. Who demands, or accepts, or attempts to collect, directly or indirectly, as payment or gift, or otherwise, any sum of money or other thing of value for the compromise, adjustment, or settlement of any charge or complaint for any violation or alleged violation of law, except as expressly authorized by law so to do, shall be dismissed from office, and shall be held to be guilty of a misdemeanor, and shall be fined not less than one thousand dollars nor more than five thousand dollars, and be imprisoned not less than six months nor more than three years. The court shall also render judgment against the said officer or agent for the amount of damages sustained in favor of the party injured, to be collected by execution. One-half of the fine so imposed shall be for the use of the United States, and the other half for the use of the informer, who shall be ascertained by the judgment of the court. [See § 5484.]

District attorney or marshal, accepting or demanding anything for compromise of violation of internal-revenue laws.

2 March, 1867, c. 169, s. 26, v. 14, p. 483.

Officers suffering injuries may maintain suit for damages.

13 July, 1866, c. 184, s. 67, v. 14, p. 172.

SEC. 3170. Every district attorney or marshal who demands, or accepts, or attempts to collect, directly or indirectly, as payment or gift or otherwise, any sum of money or other property of value for the compromise, adjustment, or settlement of any charge or complaint for any violation or alleged violation of any provision of the internal-revenue laws, except as expressly authorized by law to do so, shall be held to be guilty of a misdemeanor, and shall be fined in double the sum or value of the money or property received or demanded, and be imprisoned for not less than one nor more than ten years.

SEC. 3171. If any officer appointed under and by virtue of any act to provide internal revenue, or any person acting under or by authority of any such officer, shall receive any injury to his person or property, for or on account of any act by him done, under any law of the United States for the collection of taxes, he shall be entitled to maintain suit for damage therefor, in the circuit-court of the United States, in the district wherein the party doing the injury may reside or shall be found.

CHAPTER TWO.

OF ASSESSMENTS AND COLLECTIONS.

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3190. Proceedings on distraint.	3219. Death, &c., of collector, uncollected balances.
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3192. When property sold under distraint may be purchased for United States, &c.	3221. Taxes on spirits accidentally destroyed.
3193. Property distrained to be restored on payment before sale.	3222. Retrospective effect of preceding section.
3194. Effect of certificate of sale on distraint.	3223. When tax on lost spirits is indemnified by insurance.
3195. When property distrained is not divisible.	3224. Suits to restrain assessments or collection of taxes.
3196. When real estate may be sold to satisfy taxes.	3225. Suits to recover taxes collected under second assessment, burden of proof as to fraud.
3197. Proceedings for seizure and sale of real estate for taxes.	3226. Suits for recovery of taxes wrongfully collected.
3198. Certificate of purchase; deed.	3227. Limitation of suits for recovery of taxes wrongfully collected.
3199. Collector's deed to be <i>prima facie</i> evidence, &c.	3228. Claims for refundment, limitation.
3200. Collector may seize lands of delinquent in any district of same State.	3229. Compromises.
	3230. Discontinuances in criminal prosecutions.
	3231. Continuances of internal-revenue cases.

SEC. 3172. Every collector shall, from time to time, cause his deputies to proceed through every part of his district and inquire after and concerning all persons therein who are liable to pay a special tax, and all persons owning or having the care and management of any objects liable to pay any tax, and to make a list of such persons and enumerate said objects.

Canvass of districts for objects of taxation.

30 June, 1864, c. 173, s. 12, v. 13, p. 225.

2 March, 1867, c. 13, s. 1, v. 17, p. 401.

SEC. 3173. It shall be the duty of any person, partnership, firm, association, or corporation, made liable to any duty, special tax, stamp, or tax imposed by law, when not otherwise provided for, on or before the first Monday of March in each year, and in other cases before the day

Annual returns of persons liable to tax.

30 June, 1864, c.

172, ss. 11, 13, v. 13, pp. 225, 226.

13 July, 1866, c. 184, s. 9, v. 14, p. 101.

2 March, 1867, c. 169, s. 1, v. 14, p. 471.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

of levy, to make a list or return, verified by oath or affirmation, to the deputy collector of the district where located, of the articles or objects charged with a special duty or tax, the quantity of goods, wares, and merchandise made or sold, and charged with a specific or ad valorem duty or tax, the several rates and aggregate amount, according to the forms and regulations to be prescribed by the Commissioner of Internal Revenue, under the direction of the Secretary of the Treasury, for which such person, partnership, firm, association, or corporation is liable: *Provided*, That if any person liable to pay any duty or tax, or owning, possessing, or having the care or management of property, goods, wares, and merchandise, articles or objects liable to pay any duty, tax, or license, shall fail to make and exhibit a list or return required by law, but shall consent to disclose the particulars of any and all the property, goods, wares, and merchandise, articles and objects liable to pay any duty or tax, or any business or occupation liable to pay any special tax as aforesaid, then, and in that case, it shall be the duty of the deputy collector to make such list or return, which, being distinctly read, consented to, and signed and verified by oath or affirmation by the person so owning, possessing, or having the care and management as aforesaid, may be received as the list of such person: *Provided further*, That in case any person shall be absent from his or her residence or place of business at the time a deputy collector shall call for the annual list or return, and no annual list or return has been rendered by such person to the deputy collector as required by law, it shall be the duty of such deputy collector to leave at such place of residence or business, with some one of suitable age and discretion, if such be present, otherwise to deposit in the nearest post-office, a note or memorandum, addressed to such person, requiring him or her to render to such deputy collector the list or return required by law within ten days from the date of such note or memorandum, verified by oath or affirmation. And if any person on being notified or required as aforesaid shall refuse or neglect to render such list or return within the time required as aforesaid, or whenever any person who is required to deliver a monthly or other return of objects subject to tax fails to do so at the time required, or delivers any return which, in the opinion of the collector, is false or fraudulent or contains any undervaluation or under-statement, it shall be lawful for the collector to summon such person or any other person, having possession, custody, or care of books of account containing entries relating to the business of such person, or any other person he may deem proper, to appear before him and produce such books, at a time and place named in the summons, and to give testimony or answer interrogatories, under oath, respecting any objects liable to tax or the returns thereof. The collector may summon any person residing or found within the State in which his district lies; and when the person intended to be summoned does not reside and cannot be found within such State, he may enter any collection-district where such person may be found, and there make the examination herein authorized. And to this end he may there exercise all the authority which he might lawfully exercise in the district for which he was commissioned.

Summons, form and manner of service of.

30 June, 1864, c. 173, s. 14, v. 13, p. 226.

13 July, 1866, c. 184, s. 9, v. 14, p. 101.

24 Dec., 1872, c. 13, v. 17, p. 401.

In re Phillips, 2 Am. L., T. U. S. Cts., 154.

Failure to obey summons, proceedings on.

SEC. 3174. Such summons shall in all cases be served by a deputy collector of the district where the person to whom it is directed may be found, by an attested copy delivered to such person in hand, or left at his last and usual place of abode, allowing such person one day for each twenty-five miles he may be required to travel, computed from the place of service to the place of examination; and the certificate of service signed by such deputy shall be evidence of the facts it states on the hearing of an application for an attachment. When the summons requires the production of books, it shall be sufficient if such books are described with reasonable certainty.

SEC. 3175. Whenever any person summoned under the two preceding sections neglects or refuses to obey such summons, or to give testi-

mony, or to answer interrogatories as required, the collectors may apply to the judge of the district court or to a commissioner of the circuit court of the United States for the district within which the person so summoned resides for an attachment against him as for a contempt. It shall be the duty of the judge or commissioner to hear the application, and, if satisfactory proof is made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or commissioner shall have power to make such order as he shall deem proper not inconsistent with existing laws for the punishment of contempts, to enforce obedience to the requirements of the summons and to punish such person for his default or disobedience.

SEC. 3176. The collector or any deputy collector in every district shall enter into and upon the premises, if it be necessary, of every person therein who has taxable property and who refuses or neglects to render any return or list required by law, or who renders a false or fraudulent return or list, and make, according to the best information which he can obtain, including that derived from the evidence elicited by the examination of the collector, and on his own view and information, such list or return, according to the form prescribed, of the objects liable to tax, owned or possessed or under the care or management of such person, and the Commissioner of Internal Revenue shall assess the tax thereon, including the amount, if any, due for special tax, and in case of any return of a false or fraudulent list or valuation, he shall add one hundred per centum to such tax; and in case of a refusal or neglect, except in cases of sickness or absence, to make a list or return, or to verify the same as aforesaid, he shall add fifty per centum to such tax. In case of neglect occasioned by sickness or absence as aforesaid, the collector may allow such further time for making and delivering such list or return as he may deem necessary, not exceeding thirty days. The amount so added to the tax shall, in all cases, be collected at the same time and in the same manner as the tax; and the list or return so made and subscribed by such collector or deputy collector shall be held good and sufficient for all legal purposes.

SEC. 3177. Any collector, deputy collector, or inspector may enter, in the day-time, any building or place where any articles or objects subject to tax are made, produced, or kept, within his district, so far as it may be necessary, for the purpose of examining said articles or objects. And any owner of such building or place, or person having the agency or superintendence of the same, who refuses to admit such officer, or to suffer him to examine such article or articles, shall, for every such refusal, forfeit five hundred dollars. And when such premises are open at night, such officers may enter them while so open, in the performance of their official duties. And if any person shall forcibly obstruct or hinder any collector, deputy collector, or inspector, in the execution of any power and authority vested in him by law, or shall forcibly rescue or cause to be rescued any property, articles, or objects after the same shall have been seized by him, or shall attempt or endeavor so to do, the person so offending, excepting in cases otherwise provided for, shall, for every such offense, forfeit and pay the sum of five hundred dollars, or double the value of the property so rescued, or be imprisoned for a term not exceeding two years, at the discretion of the court.

SEC. 3178. All persons required to make returns or lists of objects charged with an internal tax shall declare therein whether the several rates and amounts are stated according to their values in legal-tender currency or according to their values in coined money; and in case of neglect or refusal so to declare to the satisfaction of the collector receiving such returns or lists, such officer shall make returns or lists for such persons so neglecting or refusing, as in cases of persons neglecting or refusing to make the returns or lists required by law, and the Commissioner shall assess the tax thereon, and add thereto the amount of pen-

30 June, 1864, c. 173, s. 14, v. 13, p. 226.

13 July, 1866, c. 184, s. 9, v. 14, p. 101.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

When collector may enter premises and make returns.

30 June, 1864, c. 173, s. 14, v. 13, p. 226.

13 July, 1866, c. 184, s. 9, v. 14, p. 101.

24 Dec., 1872, c. 13, s. 2, v. 17, p. 402.

Officers may enter premises where taxable articles are kept.

30 June, 1864, c. 173, ss. 37, 38, v. 13, p. 238.

Returns to show whether amounts are valued in coin or currency.

10 March, 1866, c. 15, ss. 3, 4, v. 14, p. 5.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

alties imposed by law in cases of such neglect or refusal. And whenever the rates and amounts contained in the returns or lists are stated in coined money, the collector receiving the same shall reduce them to their equivalent in legal-tender currency, according to the value of such coined money in said currency for the time covered by such returns.

Making false return, or refusing to produce books; penalty.

30 June, 1864, c. 173, s. 15, v. 13, p. 226.

Taxable property owned by non-residents.

30 June, 1864, c. 173, s. 16, v. 13, p. 227.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Lists when taken and how denominated.

30 June, 1864, c. 173, s. 18, v. 13, p. 228.

Commissioner of Internal Revenue to make assessments; correction of incomplete or imperfect lists.

30 June, 1864, c. 173, s. 20, v. 13, p. 229.

13 July, 1866, c. 184, s. 9, v. 14, p. 103.

24 Dec., 1872, c. 13, s. 2, v. 17, p. 402.

Smith vs. Dandelest, 18 Wall., 642.

Duty and authority of collectors and deputies to collect all taxes.

13 July, 1866, c. 184, s. 9, v. 14, p. 110. 30 June, 1864, c. 173, ss. 36, 41, v. 13, pp. 233, 239.

Notice and demand of taxes.

SEC. 3179. Whenever any person delivers or discloses to the collector or deputy any false or fraudulent list, return, account, or statement, with intent to defeat or evade the valuation, enumeration, or assessment intended to be made, or, being duly summoned to appear to testify, or to appear and produce such books as aforesaid, neglects to appear or to produce said books, he shall be fined not exceeding one thousand dollars, or be imprisoned not exceeding one year, or both, at the discretion of the court, with costs of prosecution.

SEC. 3180. Whenever there are in any district any articles not owned or possessed by or under the care or control of any person within such district, and liable to be taxed, and of which no list has been transmitted to the collector, as required by law, the collector or one of his deputies shall enter the premises where such articles are situated and shall take such view thereof as may be necessary, and make lists of the same, according to the form prescribed. Said lists, being subscribed by such collector or deputy, shall be taken as sufficient lists of such articles for all purposes.

SEC. 3181. The lists or returns aforesaid shall, where not otherwise specially provided for, be taken with reference to the day fixed for that purpose by this Title as aforesaid; and where duties accrue at other and different times, the last shall be taken with reference to the time when said taxes become due, and shall be denominated annual, monthly, and special lists or returns.

SEC. 3182. The Commissioner of Internal Revenue is hereby authorized and required to make the inquiries, determinations, and assessments of all taxes and penalties imposed by this Title, or accruing under any former internal-revenue act, where such taxes have not been duly paid by stamp at the time and in the manner provided by law, and shall certify a list of such assessments when made to the proper collectors respectively, who shall proceed to collect and account for the taxes and penalties so certified. Whenever it is ascertained that any list which has been or shall be delivered to any collector, is imperfect or incomplete in consequence of the omission of the name of any person liable to tax, or in consequence of any omission, or understatement, or undervaluation, or false or fraudulent statement contained in any return made by any person liable to tax, the Commissioner of Internal Revenue may, at any time within fifteen months from the time of the delivery of the list to the collector as aforesaid, enter on any monthly or special list the name of such person so omitted, together with the amount of tax for which he may have been or shall become liable, and also the name of any such person in respect to whose return, as aforesaid, there has been or shall be any omission, undervaluation, understatement, or false or fraudulent statement, together with the amount for which such person may be liable, above the amount for which he may have been or shall be assessed upon any return made as aforesaid; and he shall certify and return such list to the collector as required by law. And all provisions of law for the ascertainment of liability to any tax, or the assessment or collection thereof, shall be held to apply, so far as may be necessary, to the proceedings herein authorized and directed.

SEC. 3183. It shall be the duty of the collectors, or their deputies, in their respective districts, and they are authorized, to collect all the taxes imposed by law, however the same may be designated. And every collector and deputy collector shall give receipts for all sums collected by him.

SEC. 3184. Where it is not otherwise provided, the collector shall in person or by deputy, within ten days after receiving any list of taxes

from the Commissioner of Internal Revenue, give notice to each person liable to pay any taxes stated therein, to be left at his dwelling or usual place of business, or to be sent by mail, stating the amount of such taxes and demanding payment thereof. If such person does not pay the taxes, within ten days after the service or the sending by mail of such notice, it shall be the duty of the collector or his deputy to collect the said taxes with a penalty of five per centum additional upon the amount of taxes, and interest at the rate of one per centum a month.

SEC. 3185. All returns required to be made monthly by any person liable to tax shall be made on or before the tenth day of each month, and the tax assessed or due thereon shall be returned by the Commissioner of Internal Revenue to the collector on or before the last day of each month. All returns for which no provision is otherwise made shall be made on or before the tenth day of the month succeeding the time when the tax is due and liable to be assessed, and the tax thereon shall be returned as herein provided for monthly returns, and shall be due and payable on or before the last day of the month in which the assessment is so made. When the said tax is not paid on or before the last day of the month, as aforesaid, the collector shall add a penalty of five per centum, together with interest at the rate of one per centum per month, upon such tax from the time the same became due; but no interest for a fraction of a month shall be demanded: *Provided*, That notice of the time when such tax becomes due and payable is given in such manner as may be prescribed by the Commissioner of Internal Revenue. It shall then be the duty of the collector, in case of the non-payment of said tax on or before the last day of the month, as aforesaid, to demand payment thereof, with five per centum added thereto, and interest at the rate of one per centum per month, as aforesaid, in the manner prescribed by law; and if said tax, penalty, and interest, are not paid within ten days after such demand, it shall be lawful for the collector or his deputy to make distraint therefor, as provided by law.

SEC. 3186. If any person liable to pay any tax neglects or refuses to pay the same after demand, the amount shall be a lien in favor of the United States from the time it was due until paid, with the interest, penalties, and costs that may accrue in addition thereto, upon all property and rights to property belonging to such person.

SEC. 3187. If any person liable to pay any taxes neglects or refuses to pay the same within ten days after notice and demand, it shall be lawful for the collector or his deputy to collect the said taxes, with five per centum additional thereto, and interest as aforesaid, by distraint and sale, in the manner hereafter provided, of the goods, chattels, or effects, including stocks, securities, and evidences of debt, of the person delinquent as aforesaid: *Provided*, That there shall be exempt from distraint and sale, if belonging to the head of a family, the school-books and wearing apparel necessary for such family; also arms for personal use, one cow, two hogs, five sheep and the wool thereof, provided the aggregate market-value of said sheep shall not exceed fifty dollars; the necessary food for such cow, hogs, and sheep, for a period not exceeding thirty days; fuel to an amount not greater in value than twenty-five dollars; provisions to an amount not greater than fifty dollars; household furniture kept for use to an amount not greater than three hundred dollars; and the books, tools, or implements, of a trade or profession, to an amount not greater than one hundred dollars shall also be exempt; and the officer making the distraint shall summon three disinterested householders of the vicinity, who shall appraise and set apart to the owner the amount of property herein declared to be exempt.

SEC. 3188. In such case of neglect or refusal, the collector may levy, or by warrant may authorize a deputy collector to levy, upon all property and rights to property, except such as are exempt by the preceding section, belonging to such person, or on which the said lien exists, for the payment of the sum due as aforesaid, with interest and penalty for non-payment, and also of such further sum as shall be sufficient for the fees, costs, and expenses of such levy.

13 July, 1866, c. 184, s. 9, v. 14, p. 106.
2 March, 1867, c. 169, s. 8, v. 14, p. 473.
24 Dec., 1872, c. 13, s. 2, v. 17, p. 402.

Monthly returns and special returns, when to be made, and when tax payable.

13 July, 1866, c. 184, s. 11, v. 14, p. 150.
2 March, 1867, c. 169, s. 8, v. 14, p. 473.
24 Dec., 1872, c. 13, ss. 1, 2, v. 17, pp. 401, 402.

Lien for taxes.

13 July, 1866, c. 184, s. 9, v. 14, p. 107.

Taxes collectible by distraint.

13 July, 1866, c. 184, s. 9, v. 14, pp. 106, 107, 108.
2 March, 1867, c. 169, s. 8, v. 14, p. 473.

Mode of levying distraint.

13 July, 1866, c. 184, s. 9, v. 14, p. 107.

Delinquents must exhibit evidences relating to property distrained.

13 July, 1866, c. 184, s. 9, v. 14, p. 107.

Proceedings on distraint.

13 July, 1866, c. 184, s. 9, v. 14, p. 107.

When property sold under distraint is subject to tax, and tax not paid.

13 July, 1866, c. 184, s. 9, v. 14, p. 108.

24 Dec., 1872, c. 13, s. 2, v. 17, p. 402.

When property sold under distraint may be purchased for United States, &c.

13 July, 1866, c. 184, s. 9, v. 14, p. 108.

Property distrained to be restored on payment before sale.

13 July, 1866, c. 184, s. 9, v. 14, p. 106.

Effect of certificate of sale on distraint.

13 July, 1866, c. 184, s. 9, v. 14, p. 107.

30 June, 1864, c. 173, s. 45, v. 13, p. 240.

SEC. 3189. All persons, and officers of companies or corporations, are required, on demand of a collector or deputy collector about to distraint or having distrained on any property, or rights of property, to exhibit all books containing evidence or statements relating to the subject of distraint, or the property or rights of property liable to distraint for the tax due as aforesaid.

SEC. 3190. When distraint is made, as aforesaid, the officer charged with the collection shall make or cause to be made an account of the goods or effects distrained, a copy of which, signed by the officer making such distraint, shall be left with the owner or possessor of such goods or effects, or at his dwelling or usual place of business, with some person of suitable age and discretion, if any such can be found, with a note of the sum demanded, and the time and place of sale; and the said officer shall forthwith cause a notification to be published in some newspaper within the county wherein said distraint is made, if a newspaper is published in said county, or to be publicly posted at the post-office, if there be one within five miles nearest to the residence of the person whose property shall be distrained, and in not less than two other public places. Such notice shall specify the articles distrained, and the time and place for the sale thereof. Such time shall not be less than ten nor more than twenty days from the date of such notification to the owner or possessor of the property and the publication or posting of such notice as herein provided, and the place proposed for the sale shall not be more than five miles distant from the place of making such distraint. Said sale may be adjourned from time to time by said officer, if he deems it advisable, but not for a time to exceed in all thirty days.

SEC. 3191. When property subject to tax, but upon which the tax has not been paid, is seized upon distraint and sold, the amount of such tax shall, after deducting the expenses of such sale, be first appropriated out of the proceeds thereof to the payment of the tax. And if no assessment of such tax has been made upon such property, the collector shall make a return thereof in the form required by law, and the Commissioner of Internal Revenue shall assess the tax thereon.

SEC. 3192. When any property advertised for sale under distraint, as aforesaid, is of a kind subject to tax, and the tax has not been paid, and the amount bid for such property is not equal to the amount of the tax, the collector may purchase the same in behalf of the United States for an amount not exceeding the said tax. All property so purchased may be sold by the collector, under such regulations as may be prescribed by the Commissioner of Internal Revenue. The collector shall render to the Commissioner a distinct account of all charges incurred in such sales, and, in case of sale, shall pay into the Treasury the surplus, if any there be, after defraying all lawful charges and fees.

SEC. 3193. In any case of distraint for the payment of the taxes aforesaid, the goods, chattels, or effects so distrained shall be restored to the owner or possessor, if, prior to the sale, payment of the amount due is made to the proper officer charged with the collection, together with the fees and other charges; but in case of non-payment as aforesaid, the said officers shall proceed to sell the said goods, chattels, or effects at public auction, and shall retain from the proceeds of such sale the amount demandable for the use of the United States, and a commission of five per centum thereon for his own use, with the fees and charges for distraint and sale, rendering the overplus, if any there be, to the person who may be entitled to receive the same.

SEC. 3194. In all cases of sale, as aforesaid, the certificate of such sale shall be prima-facie evidence of the right of the officer to make such sale, and conclusive evidence of the regularity of his proceedings in making the sale, and shall transfer to the purchaser all right, title, and interest of such delinquent in and to the property sold; and where such property consists of stocks, said certificate shall be notice, when received, to any corporation, company, or association of said transfer, and shall

be authority to such corporation, company, or association to record the same on their books and records in the same manner as if transferred or assigned by the party holding the same, in lieu of any original or prior certificates, which shall be void, whether canceled or not. And said certificates, where the subject of sale is securities or other evidences of debt, shall be good and valid receipts to the person holding the same, as against any person holding, or claiming to hold, possession of such securities or other evidences of debt.

SEC. 3195. When any property liable to distraint for taxes is not divisible, so as to enable the collector by a sale of part thereof to raise the whole amount of the tax, with all costs, charges, and commissions, the whole of such property shall be sold, and the surplus of the proceeds of the sale, after satisfying the tax, costs, and charges, shall be paid to the person legally entitled to receive the same; or, if he cannot be found, or refuses to receive the same, shall be deposited in the Treasury of the United States, to be there held for his use until he makes application therefor to the Secretary of the Treasury, who, upon such application and satisfactory proofs in support thereof, shall, by warrant on the Treasury, cause the same to be paid to the applicant.

SEC. 3196. When goods, chattels, or effects sufficient to satisfy the taxes imposed upon any person are not found by the collector or deputy collector, he is authorized to collect the same by seizure and sale of real estate.

SEC. 3197. The officer making the seizure mentioned in the preceding section shall give notice to the person whose estate it is proposed to sell, by giving him in hand, or leaving at his last or usual place of abode, if he has any such within the collection-district where said estate is situated, a notice, in writing, stating what particular estate is to be sold, describing the same with reasonable certainty, and the time when and place where said officer proposes to sell the same; which time shall not be less than twenty nor more than forty days from the time of giving said notice. The said officer shall also cause a notification to the same effect to be published in some newspaper within the county where such seizure is made, if any such there be, and shall also cause a like notice to be posted at the post-office nearest to the estate to be seized, and in two other public places within the county; and the place of said sale shall not be more than five miles distant from the estate seized, except by special order of the Commissioner of Internal Revenue. At the time and place appointed, the officer making such seizure shall proceed to sell the said estate at public auction, offering the same at a minimum price, including the expense of making such levy, and all charges for advertising and an officer's fee of ten dollars. When the real estate so seized consists of several distinct tracts or parcels, the officer making sale thereof shall offer each tract or parcel for sale separately, and shall, if he deem it advisable, apportion the expenses, charges, and fees, aforesaid, to such several tracts or parcels, or to any of them, in estimating the minimum price aforesaid. If no person offers for said estate the amount of said minimum price, the officer shall declare the same to be purchased by him for the United States, and shall deposit with the district attorney of the United States a deed thereof, as hereafter provided; otherwise, the same shall be declared to be sold to the highest bidder. And said sale may be adjourned from time to time by said officer for not exceeding thirty days in all, if he shall think it advisable so to do. If the amount bid shall not be then and there paid, the officer shall forthwith proceed to again sell said estate in the same manner.

SEC. 3198. Upon any sale of real estate, as provided in the preceding section, and the payment of the purchase-money, the officer making the seizure and sale shall give to the purchaser a certificate of purchase, which shall set forth the real estate purchased, for whose taxes the same was sold, the name of the purchaser, and the price paid therefor; and if the said real estate be not redeemed in the manner and within the

When property
distrained is not
divisible.

13 July, 1866, c.
184, s. 9, v. 14, p.
102.

When real estate
may be sold to satisfy
taxes.

13 July, 1866, c.
184, s. 9, v. 14, p.
108.

Proceedings for
seizure and sale of
real estate for
taxes.

13 July, 1866, c.
184, s. 9 v. 14, pp.
102, 109.

Certificate of
purchase. Deed.

13 July, 1866, c.
184, s. 9, v. 14, p.
109.

time hereafter provided, the said collector or deputy collector shall execute to the said purchaser, upon his surrender of said certificate, a deed of the real estate purchased by him as aforesaid, reciting the facts set forth in said certificate, and in accordance with the laws of the State in which such real estate is situate upon the subject of sales of real estate under execution.

Collector's deed to be *prima-facie* evidence, &c.

13 July, 1866, c. 184, s. 9, v. 14, p. 109.

SEC. 3199. The deed of sale given in pursuance of the preceding section shall be *prima-facie* evidence of the facts therein stated; and if the proceedings of the officer as set forth have been substantially in accordance with the provisions of law, shall be considered and operate as a conveyance of all the right, title, and interest the party delinquent had in and to the real estate thus sold at the time the lien of the United States attached thereto.

Collector may seize lands of delinquent in any district of same State.

13 July, 1866, c. 184, s. 9, v. 14, p. 110.

Redemption of land prior to sale.

13 July, 1866, c. 184, s. 9, v. 14, p. 109.

Redemption of lands after sale.

13 July, 1866, c. 184, s. 9, v. 14, p. 109.

SEC. 3200. Any collector or deputy collector may, for the collection of taxes imposed upon any person, and committed to him for collection, seize and sell the lands of such person situated in any other collection-district within the State in which such officer resides; and his proceedings in relation thereto shall have the same effect as if the same were had in his proper collection-district.

SEC. 3201. Any person whose estate may be proceeded against as aforesaid shall have the right to pay the amount due, together with the costs and charges thereon, to the collector or deputy collector at any time prior to the sale thereof, and all further proceedings shall cease from the time of such payment.

SEC. 3202. The owners of any real estate sold as aforesaid, their heirs, executors, or administrators, or any person having any interest therein, or a lien thereon, or any person in their behalf, shall be permitted to redeem the land sold, or any particular tract thereof, at any time within one year after the sale thereof, upon payment to the purchaser, or, in case he cannot be found in the county in which the land to be redeemed is situate, then to the collector of the district in which the land is situate, for the use of the purchaser, his heirs or assigns, the amount paid by the said purchaser and interest thereon at the rate of twenty per centum per annum.

Record of sales.

13 July, 1866, c. 184, s. 9, v. 14, p. 110.

SEC. 3203. It shall be the duty of every collector to keep a record of all sales of land made in his collection-district, whether by himself or his deputies, or by another collector, in which shall be set forth the tax for which any such sale was made, the dates of seizure and sale, the name of the party assessed, and all proceedings in making said sale, the amount of fees and expenses, the name of the purchaser and the date of the deed; and said record shall be certified by the officer making the sale. And it shall be the duty of every deputy making sale, as aforesaid, to return a statement of all his proceedings to the collector, and to certify the record thereof. In case of the death or removal of the collector, or the expiration of his term of office from any other cause, said record shall be delivered to his successor in office; and a copy of every such record, certified by the collector, shall be evidence in any court of the truth of the facts therein stated.

Redemptions to be entered on record.

13 July, 1866, c. 184, s. 9, v. 14, p. 108.

Successive seizures may be made, when.

13 July, 1866, c. 184, s. 9, v. 14, p. 110.

SEC. 3204. When any lands sold, as aforesaid, are redeemed as heretofore provided, the collector shall make entry of the fact upon the record mentioned in the preceding section, and the said entry shall be evidence of such redemption.

SEC. 3205. Whenever any property, personal or real, which is seized and sold by virtue of the foregoing provisions, is not sufficient to satisfy the claim of the United States for which distraint or seizure is made, the collector may, thereafter, and as often as the same may be necessary, proceed to seize and sell, in like manner, any other property liable to seizure of the person against whom such claim exists, until the amount due from him, together with all expenses, is fully paid.

Fees and charges in seizure cases.

SEC. 3206. The Commissioner of Internal Revenue shall by regulation determine the fees and charges to be allowed in all cases of distraint

and other seizures; and shall have power to determine whether any expense incurred in making any distraint or seizure was necessary.

SEC. 3207. In any case where there has been a refusal or neglect to pay any tax, and it has become necessary to seize and sell real estate to satisfy the same, the Commissioner of Internal Revenue may direct a bill in chancery to be filed, in a district or circuit court of the United States, to enforce the lien of the United States for tax upon any real estate, or to subject any real estate owned by the delinquent, or in which he has any right, title, or interest, to the payment of such tax. All persons having liens upon or claiming any interest in the real estate sought to be subjected as aforesaid, shall be made parties to such proceedings, and be brought into court as provided in other suits in chancery therein. And the said court shall, at the term next after the parties have been duly notified of the proceedings, unless otherwise ordered by the court, proceed to adjudicate all matters involved therein, and finally determine the merits of all claims to and liens upon the real estate in question, and, in all cases where a claim or interest of the United States therein is established, shall decree a sale of such real estate, by the proper officer of the court, and a distribution of the proceeds of such sale according to the findings of the court in respect to the interests of the parties and of the United States. [See § 563.]

SEC. 3208. The Commissioner of Internal Revenue shall have charge of all real estate which has been or shall be assigned, set off, or conveyed, by purchase or otherwise, to the United States, in payment of debts arising under the laws relating to internal revenue, and of all trusts created for the use of the United States in payment of such debts due them; and, with the approval of the Secretary of the Treasury, may, at public vendue, and upon not less than twenty days' notice, sell and dispose of lands assigned or set off to the United States in payment of such debts, or vested in them by mortgage or other security, for the payment of such debts. And in cases where real estate has or may become the property of the United States by conveyance or otherwise, in payment of or as security for a debt arising under the laws relating to internal revenue, and such debt shall have been paid, together with the interest thereon, at the rate of one per centum per month, to the United States, within two years from the date of the acquisition of such real estate, it shall be lawful for the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to release by deed, or otherwise convey such real estate to the debtor, from whom it was taken, or to his heirs or other legal representatives. [See § 3750.]

SEC. 3209. Whenever a collector has on any list duly returned to him the name of any person not within his collection-district who is liable to tax, or of any person so liable who has, in the collection-district in which he resides, no sufficient property subject to seizure or distraint, from which the money due for tax can be collected, such collector shall transmit a statement containing the name of the person liable to such tax, with the amount and nature thereof, duly certified under his hand, to the collector of any district to which said person shall have removed, or in which he shall have property, real or personal, liable to be seized and sold for tax. And the collector to whom the said certified statement is transmitted shall proceed to collect the said tax in the same way as if the name of the person and objects of tax contained in the said certified statement were on any list of his own collection-district; and he shall, upon receiving said certified statement as aforesaid, transmit his receipt for it to the collector sending the same to him.

SEC. 3210. The gross amount of all taxes and revenues received or collected by virtue of this Title, or of any law hereafter enacted providing internal revenue, shall be paid, by the officers receiving or collecting the same, daily into the Treasury of the United States, under the instructions of the Secretary of the Treasury, without any abatement or deduction on account of salary, compensation, fees, costs, charges, expenses, or claims of any description; and a certificate of such payment,

13 July, 1866, c. 184, s. 9, v. 14, p. 103.

Proceedings in chancery to subject real estate to payment of tax.

20 July, 1868, c. 186, s. 106, v. 15, p. 167.

Commissioner to have charge of real estate acquired under internal-revenue laws.

2 March, 1867, c. 169, s. 4, v. 14, p. 472.

List to be sent to district where the party taxed resides or has property, when.

30 June, 1864, c. 173, s. 32, v. 13, p. 236.

Collections to be paid into Treasury daily.

3 March, 1863, c. 78, s. 3, v. 13, p. 463.

stating the name of the depositor and the specific account on which the deposit was made, signed by the Treasurer, assistant treasurer, designated depository, or proper officer of a deposit bank, shall be transmitted to the Commissioner of Internal Revenue: *Provided*, That in districts where, from the distance of the officer, collector, or agent receiving or collecting such taxes and revenues from a proper Government depository, the Secretary of the Treasury may deem it proper, he may extend the time for making such payment, not exceeding, however, in any case a period of one month.

Depositories.

30 June, 1864, c. 173, s. 33, v. 13, p. 236.

SEC. 3211. The Secretary of the Treasury is authorized to designate one or more depositories in each State, for the deposit and safe-keeping of the money collected by virtue of the internal-revenue laws; and the receipt of the proper officer of such depository to a collector for the money deposited by him shall be a sufficient voucher for such collector in the settlement of his accounts at the Treasury Department. [See § 5490.]

Collector's monthly statement; final accounts.

30 June, 1864, c. 173, s. 33, v. 13, p. 236.

SEC. 3212. Every collector shall, at the expiration of each month after he commences his collections, transmit to the Commissioner of Internal Revenue a statement of the collections made by him within the month. And every collector shall complete the collection of all sums assigned to him for collection, and shall pay over the same into the Treasury, and shall render his accounts to the Treasury Department as often as he may be required.

Suits, &c., for fines, penalties, and forfeitures, and for taxes.

13 July, 1866, c. 184, s. 9, v. 14, p. 110.

SEC. 3213. It shall be the duty of the collectors, in their respective districts, subject to the provisions of this Title, to prosecute for the recovery of any sums which may be forfeited by law. All suits for fines, penalties, and forfeitures, where not otherwise provided for, shall be brought in the name of the United States, in any proper form of action, or by any appropriate form of proceeding, *qui tam* or otherwise, before any circuit or district court of the United States, for the district within which said fine, penalty, or forfeiture may have been incurred, or before any other court of competent jurisdiction; and taxes may be sued for and recovered in the name of the United States, in any proper form of action, before any circuit or district court of the United States for the district within which the liability to such tax is incurred, or where the party from whom such tax is due resides at the time of the commencement of the said action.

Suits for taxes, &c., not to be brought without sanction of Commissioner.

13 July, 1866, c. 184, s. 9, v. 14, p. 111.

SEC. 3214. No suit for the recovery of taxes, or of any fine, penalty, or forfeiture, shall be commenced unless the Commissioner of Internal Revenue authorizes or sanctions the proceedings: *Provided*, That in case of any suit for penalties or forfeitures brought upon information received from any person, other than a collector or deputy collector, the United States shall not be subject to any costs of suit.

Regulations as to suits for Government of officers.

2 March, 1867, c. 169, s. 3, v. 14, p. 472.

SEC. 3215. It shall be the duty of the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to establish such regulations, not inconsistent with law, for the observance of revenue officers, district attorneys, and marshals, respecting suits arising under the internal-revenue laws in which the United States is a party, as may be deemed necessary for the just responsibility of those officers and the prompt collection of all revenues and debts due and accruing to the United States under such laws. [See § 377.]

Moneys recovered by suits to be paid to collectors.

13 July, 1866, c. 184, s. 9, v. 14, p. 111.

SEC. 3216. All judgments and moneys recovered or received for taxes, costs, forfeitures, and penalties, shall be paid to collectors as internal taxes are required to be paid.

Dues from delinquent collector to be collected by distraint and sale.

30 June, 1864, c. 173, s. 35, v. 13, p. 237.

SEC. 3217. When any collector fails either to collect or to render his account, or to pay over in the manner or within the times provided by law, the First Comptroller of the Treasury shall, immediately after evidence of such delinquency, report the same to the Solicitor of the Treasury, who shall issue a warrant of distress against such delinquent collector, directed to the marshal of the district, expressing therein the amount with which the said collector is chargeable, and the sums, if any,

which have been paid over by him, so far as the same are ascertainable. And the said marshal shall, himself, or by his deputy, immediately proceed to levy and collect the sum which may remain due, with five per centum thereon, and all the expenses and charges of collection, by distress and sale of the goods and chattels, or any personal effects of the delinquent collector, giving at least five days' notice of the time and place of sale, in the manner provided by law for advertising sales of personal property on execution in the State wherein such collector resides. And the bill of sale of the officer of any goods, chattels, or other personal property, distrained and sold as aforesaid, shall be conclusive evidence of title to the purchaser, and prima-facie evidence of the right of the officer to make such sale, and of the correctness of his proceedings in selling the same. And for want of goods and chattels, or other personal effects of such collector, sufficient to satisfy any warrant of distress, issued as aforesaid, the real estate of such collector, or so much thereof as may be necessary for satisfying the said warrant, after being advertised for at least three weeks next before the time of sale, in not less than three public places in the collection-district, and in one newspaper printed in the county or district, if any there be, shall be sold at public auction by the marshal or his deputy. Upon such sale, the marshal shall make and deliver to the purchaser of the premises sold a deed of conveyance thereof, to be executed and acknowledged in the manner and form prescribed by the laws of the State in which said lands are situated, and said deed so made shall invest the purchaser with all the title and interest of the defendant named in said warrant, existing at the time of the seizure thereof. And all moneys that may remain of the proceeds of such sale of personal or real property, after satisfying the said warrant of distress, and paying the reasonable costs and charges of sale, shall be returned to the proprietor of the property sold as aforesaid.

SEC. 3218. Every collector shall be charged with the whole amount of taxes, whether contained in lists transmitted to him by the Commissioner of Internal Revenue, or by other collectors, or delivered to him by his predecessor in office, and with the additions thereto, with the par value of all stamps deposited with him, and with all moneys collected for penalties, forfeitures, fees, or costs; and he shall be credited with all payments into the Treasury made as provided by law, with all stamps returned by him uncanceled to the Treasury, and with the amount of taxes contained in the lists transmitted in the manner heretofore provided to other collectors, and by them receipted as aforesaid; also with the amount of the taxes of such persons as may have absconded, or become insolvent, prior to the day when the tax ought, according to the provisions of law, to have been collected, and with all uncollected taxes transferred by him or by his deputy acting as collector to his successor in office: *Provided*, That it shall be proved to the satisfaction of the Commissioner of Internal Revenue, who shall certify the facts to the First Comptroller of the Treasury, that due diligence was used by the collector. And each collector shall also be credited with the amount of all property purchased by him for the use of the United States, provided he faithfully account for and pay over the proceeds thereof upon a resale of the same as required by law.

SEC. 3219. In case of the death, resignation, or removal of any collector, all lists and accounts of taxes uncollected shall be transferred to his successor in office as soon as such successor is appointed and qualified, and it shall be the duty of such successor to collect the same.

SEC. 3220. The Commissioner of Internal Revenue, subject to regulations prescribed by the Secretary of the Treasury, is authorized, on appeal to him made, to remit, refund, and pay back all taxes erroneously or illegally assessed or collected, all penalties collected without authority, and all taxes that appear to be unjustly assessed or excessive in amount, or in any manner wrongfully collected; also to repay to any

Collectors charged with, what.

13 July, 1866, c. 184, s. 9, v. 14, p. 110.

24 Dec., 1872, c. 13, s. 2, v. 17, p. 402.

Death, &c., of collector, uncollected balances.

13 July, 1866, c. 184, s. 9, v. 14, p. 110.

Refundment of taxes, penalties, &c.

13 July, 1866, c. 184, s. 9, v. 14, p. 111.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Dorsheimer v. s.
U. S., 2 Ct. Clms., 103.

Taxes on spirits accidentally destroyed.

27 May, 1872, c. 218, s. 1, v. 17, p. 162.

Retrospective effect of preceding section.

27 May, 1872, c. 218, s. 2, v. 17, p. 162.

When tax on lost spirits is indemnified by insurance.

27 May, 1872, c. 218, s. 2, v. 17, p. 162.

Suits to restrain assessments or collection of taxes.

2 March, 1867, c. 169, s. 10, v. 14, p. 475.—*Pullan vs. Kinsinger*, 2 Abb. U. S., 94.

Suits to recover taxes collected under second assessment, burden of proof as to fraud.

13 July, 1866, c. 184, s. 9, v. 14, p. 111.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Suits for recovery of taxes wrongfully collected.

13 July, 1866, c. 184, s. 19, v. 14, p. 152.

6 June, 1872, c. 315, s. 44, v. 17, p. 257.

Braun vs. Sauerwein, 10 Wall., 218;
The Collector vs. Hubbard, 12 Wall., 1;
Cutting vs. Gilbert, 5 Blatch., 259; *Nelson vs. Carman*, 5 Blatch., 511; *Lauer vs. U. S.*, 5 Ct. Clms., 447.

Limitation of suits for recovery

collector or deputy collector the full amount of such sums of money as may be recovered against him in any court, for any internal taxes collected by him, with the costs and expenses of suit; also all damages and costs recovered against any assessor, assistant assessor, collector, deputy collector, or inspector, in any suit brought against him by reason of anything done in the due performance of his official duty: *Provided*, That where a second assessment is made in case of a list, statement, or return, which in the opinion of the collector or deputy collector was false or fraudulent, or contained any understatement or undervaluation, such assessment shall not be remitted, nor shall taxes collected under such assessment be refunded, or paid back, unless it is proved that said list, statement, or return was not false or fraudulent, and did not contain any understatement or undervaluation.

SEC. 3221. The Secretary of the Treasury, upon the production to him of satisfactory proof of the actual destruction by accidental fire or other casualty, and without any fraud, collusion, or negligence of the owner thereof, of any distilled spirits, while the same remained in the custody of any officer of internal revenue in any distillery warehouse, or bonded warehouse of the United States and before the tax thereon had been paid, may abate the amount of internal taxes accruing thereon, and may cancel any warehouse bond, or enter satisfaction thereon, in whole or in part, as the case may be. And if such taxes have been collected since the destruction of said spirits, the said Secretary shall refund the same to the owners thereof out of any moneys in the Treasury not otherwise appropriated.

SEC. 3222. The preceding section shall take effect in all cases of loss or destruction of distilled spirits as aforesaid which have occurred since January one, eighteen hundred and sixty-eight.

SEC. 3223. When the owners of distilled spirits in the cases provided for by the two preceding sections may be indemnified against such tax by a valid claim of insurance, the tax shall not be remitted to the extent of such insurance.

SEC. 3224. No suit for the purpose of restraining the assessment or collection of any tax shall be maintained in any court.

SEC. 3225. When a second assessment is made in case of any list, statement, or return, which in the opinion of the collector or deputy collector was false or fraudulent, or contained any understatement or undervaluation, no taxes collected under such assessment shall be recovered by any suit, unless it is proved that the said list, statement, or return was not false nor fraudulent, and did not contain any understatement or undervaluation.

SEC. 3226. No suit shall be maintained in any court for the recovery of any internal tax alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected, until appeal shall have been duly made to the Commissioner of the Internal Revenue, according to the provisions of law in that regard, and the regulations of the Secretary of the Treasury established in pursuance thereof, and a decision of the Commissioner has been had therein: *Provided*, That if such decision is delayed more than six months from the date of such appeal, then the said suit may be brought, without first having a decision of the Commissioner, at any time within the period limited in the next section.

SEC. 3227. No suit or proceeding for the recovery of any internal tax alleged to have been erroneously or illegally assessed or collected, or of

any penalty alleged to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected, shall be maintained in any court, unless the same is brought within two years next after the cause of action accrued: *Provided*, That actions for such claims which accrued prior to June six, eighteen hundred and seventy-two, may be brought within one year from said date; and that where any such claim was pending before the Commissioner, as provided in the preceding section, an action thereon may be brought within one year after such decision and not after. But no right of action which was already barred by any statute on the said date shall be revived by this section.

SEC. 3228. All claims for the refunding of any internal tax alleged to have been erroneously or illegally assessed or collected, or of any penalty alleged to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected, must be presented to the Commissioner of Internal Revenue within two years next after the cause of action accrued: *Provided*, That claims which accrued prior to June six, eighteen hundred and seventy-two, may be presented to the Commissioner at any time within one year from said date. But nothing in this section shall be construed to revive any right of action which was already barred by any statute on that date.

SEC. 3229. The Commissioner of Internal Revenue, with the advice and consent of the Secretary of the Treasury, may compromise any civil or criminal case arising under the internal-revenue laws instead of commencing suit thereon; and, with the advice and consent of the said Secretary and the recommendation of the Attorney-General, he may compromise any such case after a suit thereon has been commenced. Whenever a compromise is made in any case there shall be placed on file in the office of the Commissioner the opinion of the Solicitor of Internal Revenue, or of the officer acting as such, with his reasons therefor, with a statement of the amount of tax assessed, the amount of additional tax or penalty imposed by law in consequence of the neglect or delinquency of the person against whom the tax is assessed, and the amount actually paid in accordance with the terms of the compromise.

SEC. 3230. No discontinuance or nolle prosequi of any prosecution under section three thousand two hundred and fifty-seven shall be allowed without the permission in writing of the Secretary of the Treasury and the Attorney-General.

SEC. 3231. It shall be lawful for any court in which any suit or criminal proceeding arising under the internal-revenue laws may be pending, to continue the same at any stage thereof, for good cause shown on motion by the district attorney.

of taxes wrongfully collected.

6 June, 1872, c. 315, s. 44, v. 17, p. 257.

Claims for refundment, limitation.

6 June, 1872, c. 315, s. 44, v. 17, p. 257.

Compromises.

20 July, 1868, c. 186, s. 102, v. 15, p. 166.

Discontinuances of criminal prosecutions.

31 March, 1868, c. 41, s. 7, v. 15, p. 60. Continuances in criminal proceedings.

20 July, 1868, c. 186, s. 102, v. 15, p. 166.

CHAPTER THREE.

SPECIAL TAXES.

<p>Sec. 3232. Trade or business not to be carried on until tax paid. 3233. Trade or business to be registered. 3234. Persons in partnership at same place liable for only one tax. 3235. Payment of one special tax not to cover several places of business. 3236. When more than one pursuit is carried on in same place by same person at same time. 3237. When special tax to be due, how reckoned. 3238. Stamps for special taxes. 3239. Special-tax stamp to be exhibited in place of business.</p>	<p>Sec. 3240. List of special tax-payers to be exhibited in collector's office. 3241. Death or removal after paying tax; business carried on without additional tax. 3242. Carrying on business without payment of special tax; penalties. 3243. Payment of special tax not to authorize violation of State laws, nor prohibit State taxation. 3244. Special taxes imposed on whom. 3244. Brewers. 3244. Manufacturers of stills. 3244. Rectifiers. 3244. Retail liquor-dealers.</p>
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Sec.

3244. Wholesale liquor-dealers.
 3244. Retail dealers in malt liquors.
 3244. Wholesale dealers in malt liquors.
 3244. Dealers in leaf-tobacco.
 3244. Retail dealers in leaf-tobacco.
 3244. Dealers in tobacco.
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3244. Manufacturers of cigars.
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 3245. Balance of distillers' special tax to be refunded.
 3246. Special tax not applied to vintners or apothecaries in certain cases.

Trade or business not to be carried on until tax paid.

SEC. 3232. No person shall be engaged in or carry on any trade or business hereinafter mentioned until he has paid a special tax therefor in the manner hereinafter provided.

13 July, 1866, c. 184, s. 9, v. 14, p. 113.—The License Tax Cases, 5 Wall., 462.

Trade or business to be registered.

SEC. 3233. Every person engaged in any trade or business on which a special tax is imposed by law shall register with the collector of the district his name or style, place of residence, trade or business, and the place where such trade or business is to be carried on. In case of a firm or company, the names of the several persons constituting the same, and their places of residence, shall be so registered.

13 July, 1866, c. 184, s. 9, v. 14, p. 113.
 24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Persons in partnership at same place liable for only one tax.

SEC. 3234. Any number of persons doing business in copartnership at any one place shall be required to pay but one special tax.

13 July, 1866, c. 184, s. 9, v. 14, p. 115.

Payment of one special tax not to cover several places of business.

SEC. 3235. The payment of the special tax imposed shall not exempt from an additional special tax the person carrying on a trade or business in any other place than that stated in the collector's register; but nothing herein contained shall require a special tax for the storage of goods, wares, or merchandise in other places than the place of business, nor, except as hereinafter provided, for the sale by manufacturers or producers of their own goods, wares, and merchandise, at the place of production or manufacture, and at their principal office or place of business, provided no goods, wares, or merchandise shall be kept except as samples at said office or place of business.

13 July, 1866, c. 184, s. 9, v. 14, p. 113.

When more than one pursuit is carried on in same place by same person at same time.

SEC. 3236. Whenever more than one of the pursuits or occupations hereinafter described are carried on in the same place by the same person at the same time, except as hereinafter provided, the tax shall be paid for each according to the rates severally prescribed.

13 July, 1866, c. 184, s. 9, v. 14, p. 114.

When special tax to be due, how reckoned.

SEC. 3237. All special taxes shall become due on the first day of May, in each year, or on commencing any trade or business on which such tax is imposed. In the former case the tax shall be reckoned for one year; and in the latter case it shall be reckoned proportionately, from the first day of the month in which the liability to a special tax commenced to the first day of May following.

13 July, 1866, c. 184, s. 9, v. 14, p. 113.
 6 June, 1872, c. 315, s. 31, v. 17, p. 252.

Stamps for special taxes.

SEC. 3238. All special taxes imposed by law, including the tax on stills or worms, shall be paid by stamps denoting the tax, and the Commissioner of Internal Revenue is required to procure appropriate stamps for the payment of such taxes; and the provisions of sections thirty-three hundred and thirteen and thirty-four hundred and forty-six, and all other provisions of law relating to the preparation and issue of stamps for distilled spirits, fermented liquors, tobacco, and cigars, shall, so far as applicable, extend to and include such stamps for special taxes; and the Commissioner of Internal Revenue shall have authority to make all needful regulations relative thereto.

24 Dec., 1872, c. 13, s. 3, v. 17, p. 402.

20 July, 1868, c. 186, ss. 26, 101, v. 15, pp. 137, 165.

Special-tax stamp to be exhibited in place of business.

SEC. 3239. Every person engaged in any business, avocation, or employment, who is thereby made liable to a special tax, except tobacco-peddlers, shall place and keep conspicuously in his establishment or place of business all stamps denoting the payment of said special tax; and any person who shall, through negligence, fail to so place and keep said stamp, shall be liable to a penalty equal to the special tax for which his business rendered him liable, and the costs of prosecution; but in no case shall said penalty be less than ten dollars. And where the failure to comply with the foregoing provision of law shall be through willful neglect or refusal, then the penalty shall be double the

24 Dec., 1872, c. 13, s. 3, v. 17, p. 402.

amount above prescribed: *Provided*, That nothing in this section shall in any way affect the liability of any person for exercising or carrying on any trade, business, or profession, or doing any act for the exercising, carrying on, or doing of which a special tax is imposed by law, without the payment thereof.

SEC. 3240. Each collector of internal revenue shall, under regulations of the Commissioner of Internal Revenue, place and keep conspicuously in his office, for public inspection, an alphabetical list of the names of all persons who shall have paid special taxes within his district, and shall state thereon the time, place, and business for which such special taxes have been paid.

SEC. 3241. When any person who has paid the special tax for any trade or business dies, his wife or child, or executors or administrators or other legal representatives, may occupy the house or premises, and in like manner carry on, for the residue of the term for which the tax is paid, the same trade or business as the deceased before carried on, in the same house and upon the same premises, without the payment of any additional tax. And when any person removes from the house or premises for which any trade or business was taxed to any other place, he may carry on the trade or business specified in the collector's register at the place to which he removes, without the payment of any additional tax: *Provided*, That all cases of death, change, or removal, as aforesaid, with the name of the successor to any person deceased, or of the person making such change or removal, shall be registered with the collector, under regulations to be prescribed by the Commissioner of Internal Revenue.

SEC. 3242. Every person who carries on the business of a rectifier, wholesale liquor-dealer, retail liquor-dealer, or manufacturer of stills, without having paid the special tax as required by law, shall, for every such offense, be fined not less than one thousand dollars nor more than five thousand dollars, and be imprisoned not less than six months nor more than two years. And all distilled spirits or wines, and all apparatus fit or intended to be used for the distillation or rectification of spirits or the compounding of liquors, owned by such person, wherever found, and all distilled spirits or wines and personal property found in the rectifying establishment, or in any building, room, yard, or inclosure connected therewith, and used with or constituting a part of the premises, shall be forfeited to the United States. Every person who carries on the business of a manufacturer of tobacco, snuff, or cigars, dealer in manufactured tobacco, dealer in leaf-tobacco, or retail dealer in leaf-tobacco, without having paid a special tax therefor, as provided by law, shall, besides being liable to the payment of the tax, be fined not more than five hundred dollars or be imprisoned not more than one year, or both, at the discretion of the court. And every person who carries on the business of a brewer or wholesale or retail dealer in malt liquors, without having paid a special tax therefor, as required by law, shall, besides being liable to the payment of the tax, be fined not less than ten dollars nor more than five hundred dollars.

SEC. 3243. The payment of any tax imposed by the internal-revenue laws for carrying on any trade or business shall not be held to exempt any person from any penalty or punishment provided by the laws of any State for carrying on the same within such State, or in any manner to authorize the commencement or continuance of such trade or business contrary to the laws of such State or in places prohibited by municipal law; nor shall the payment of any such tax be held to prohibit any State from placing a duty or tax on the same trade or business, for State or other purposes.

McGuire vs. The Commonwealth, 3 Wall., 387; The License Tax

SEC. 3244. Special taxes are imposed as follows:

First. Brewers shall pay one hundred dollars. Every person who manufactures fermented liquors of any name or description for sale, from malt, wholly or in part, or from any substitute therefor, shall be deemed

List of special tax-payers to be exhibited in collector's office.

24 Dec., 1872, c. 13, s. 4, v. 17, p. 403.

Death or removal after paying tax; business carried on without additional tax.

13 July, 1866, c. 184, s. 9, v. 14, p. 114.

Carrying on business without payment of special tax; penalties.

20 July, 1868, c. 186, s. 44, v. 15, p. 142.

6 June, 1872, c. 315, ss. 12, 32, v. 17, pp. 240, 255.

2 March, 1867, c. 169, s. 9, v. 14, p. 473.

U. S. vs. Smith, 8 Wall., 587; U. S. vs. Thirty-five Barrels, 9 Int. Rev. Rec., 67.

Payment of special tax not to authorize violation of State laws, nor prohibit State taxation.

13 July, 1866, c. 184, s. 9, v. 14, p. 122.

20 July, 1863, c. 186, s. 59, v. 15, p. 151.

Cases, 5 Wall., 462.

Special taxes imposed on whom.

Brewers.

13 July, 1866, c. 184, s. 9, v. 14, p. 117. a brewer: *Provided*, That any person who manufactures less than five hundred barrels a year shall pay the sum of fifty dollars.

14 July, 1870, c. 255, s. 1, v. 16, p. 256.

Manufacturers of stills.

20 July, 1868, c. 186, s. 59, v. 15, p. 151.

Rectifiers.

20 July, 1868, c. 186, ss. 11, 59, v. 15, pp. 130, 150.

10 April, 1869, c. 18, s. 1, v. 16, pp. 41, 42.

6 June, 1872, c. 315, ss. 12, 13, v. 17, pp. 239, 244.

24 Dec., 1872, c. 13, v. 17, pp. 401-403.

Second. Manufacturers of stills shall each pay fifty dollars, and twenty dollars for each still or worm for distilling made by him. Any person who manufactures any still or worm to be used in distilling shall be deemed a manufacturer of stills.

Third. Rectifiers of distilled spirits shall pay two hundred dollars. Every person who rectifies, purifies, or refines distilled spirits or wines by any process other than by original and continuous distillation from mash, wort, or wash, through continuous closed vessels and pipes, until the manufacture thereof is complete, and every wholesale or retail liquor-dealer who has in his possession any still or leach-tub, or who keeps any other apparatus for the purpose of refining in any manner distilled spirits, and every person who, without rectifying, purifying, or refining distilled spirits, shall, by mixing such spirits, wine, or other liquor with any materials, manufacture any spurious, imitation, or compound liquors for sale, under the name of whisky, brandy, gin, rum, wine, spirits, cordials, or wine bitters, or any other name, shall be regarded as a rectifier, and as being engaged in the business of rectifying: *Provided*, That nothing in this section shall be held to prohibit the purifying or refining of spirits in the course of original and continuous distillation through any material which will not remain incorporated with such spirits when the manufacture thereof is complete: *And provided further*, That no officer shall collect any special tax for rectifying distilled spirits on any premises distant less than six hundred feet in a direct line from any distillery. And every officer who collects any special tax in violation of this section shall be liable to a penalty of five thousand dollars for each offense.

Retail liquor-dealers.

10 April, 1869, c. 18, s. 1, v. 16, p. 42.

20 July, 1868, c. 186, ss. 1, 2, v. 15, p. 125.

Wholesale liquor-dealers.

20 July, 1868, c. 186, ss. 1, 2, v. 15, p. 125.

20 July, 1868, c. 186, s. 59, v. 15, p. 150.

6 June, 1872, c. 315, s. 13, v. 17, p. 239.

Fourth. Retail dealers in liquors shall pay twenty-five dollars. Every person who sells, or offers for sale foreign or domestic distilled spirits or wines, in less quantities than five wine gallons at the same time, shall be regarded as a retail dealer in liquors.

Wholesale liquor-dealers shall pay one hundred dollars. Every person who sells or offers for sale foreign or domestic distilled spirits or wines, in quantities of not less than five wine gallons at the same time, shall be regarded as a wholesale liquor-dealer. But no distiller who has given the required bond, and who sells only distilled spirits of his own production at the place of manufacture, in the original packages to which the tax-stamps are affixed, shall be required to pay the special tax of a wholesale liquor-dealer on account of such sales.

Pervear vs. The Commonwealth, 5 Wall., 475.

Retail dealers in malt liquors.

20 July, 1868, c. 186, s. 59, v. 15, p. 151.

10 April, 1869, c. 18, s. 1, v. 16, p. 42.

Wholesale dealers in malt liquors.

6 June, 1872, c. 315, ss. 13, 17, v. 17, pp. 244, 245.

Fifth. Retail dealers in malt liquors shall pay twenty dollars. Every person who sells or offers for sale malt liquors in quantities of five gallons or less at one time, but who does not deal in spirituous liquors, shall be regarded as a retail dealer in malt liquors.

Wholesale dealers in malt liquors shall pay fifty dollars. Every person who sells or offers for sale malt liquors in larger quantities than five gallons at one time, but who does not deal in spirituous liquors, shall be regarded as a wholesale dealer in malt liquors: *Provided*, That no brewer shall be required to pay a special tax as a wholesale dealer by reason of selling in the original stamped packages, whether at the place of manufacture or otherwise, malt liquors manufactured by him.

Dealers in leaf-tobacco.

6 June, 1872, c. 315, s. 31, v. 17, p. 250.

Sixth. Dealers in leaf-tobacco, except retail dealers in leaf-tobacco, as hereinafter defined, shall pay twenty-five dollars. Every person shall be regarded as a dealer in leaf-tobacco, whose business it is, for himself or on commission, to sell, or offer for sale, or consign for sale on commission, leaf-tobacco; and payment of a special tax as dealer in tobacco,

manufacturer of tobacco, manufacturer of cigars, or any other special tax, shall not exempt any person dealing in leaf-tobacco from the payment of the special tax therefor hereby required. But no farmer or planter shall be required to pay a special tax as a dealer in leaf-tobacco, for selling tobacco of his own production, or tobacco received by him as rent from tenants who have produced the same on his land: *Provided*, That nothing in this section shall be construed to exempt from a special tax any farmer or planter who, by peddling or otherwise, sells leaf-tobacco at retail directly to consumers, or who sells or assigns, consigns, transfers, or disposes of to persons other than those who have paid a special tax as leaf-dealers or manufacturers of tobacco, snuff, or cigars, or to persons purchasing leaf-tobacco for export.

Dealers in leaf-tobacco shall sell only to other dealers who have paid a special tax as such, and to manufacturers of tobacco, snuff, or cigars, and to such persons as are known to be purchasers of leaf-tobacco for export.

Seventh. Retail dealers in leaf-tobacco shall each pay five hundred dollars, and if their annual sales exceed one thousand dollars, shall each pay, in addition thereto, fifty cents for every dollar in excess of one thousand dollars of their sales. Every person shall be regarded as a retail dealer in leaf-tobacco whose business it is to sell leaf-tobacco in quantities less than an original hogshead, case, or bale; or who sells directly to consumers, or to persons other than dealers in leaf-tobacco, who have paid a special tax as such; or to manufacturers of tobacco, snuff, or cigars who have paid a special tax; or to persons who purchase in original packages for export. Retail dealers in leaf-tobacco shall also keep a book, and enter therein daily their purchases and sales, in a form and manner to be prescribed by the Commissioner of Internal Revenue, which book shall be open at all times for the inspection of any revenue officer.

Whenever it becomes necessary to ascertain the amount of annual sales made by any retail dealer in leaf-tobacco, or to ascertain the excess of such sales over one thousand dollars, such amount and excess shall be ascertained and returned under such regulations and in such form as may be prescribed by the Commissioner of Internal Revenue. And whenever the amount of sales or receipts is understated or underestimated by any retail dealer in leaf-tobacco, he shall be again assessed for such deficiency, and shall be required to pay the same, with any penalties that may by law have accrued or be chargeable thereon.

Eighth. Dealers in tobacco shall each pay five dollars. Every person whose business it is to sell, or offer for sale, manufactured tobacco, snuff, or cigars, shall be regarded as a dealer in tobacco, and the payment of a special tax as a wholesale or retail liquor-dealer, or the payment of any other special tax, shall not relieve any person who sells manufactured tobacco and cigars from the payment of this tax: *Provided*, That no manufacturer of tobacco, snuff, or cigars shall be required to pay a special tax as dealer in manufactured tobacco and cigars for selling his own products at the place of manufacture.

Ninth. Manufacturers of tobacco shall each pay ten dollars. Every person whose business it is to manufacture tobacco or snuff for himself, or who employs others to manufacture tobacco or snuff, whether such manufacture be by cutting, pressing, grinding, crushing, or rubbing of any raw or leaf-tobacco, or otherwise preparing raw or leaf-tobacco, or manufactured or partially manufactured tobacco or snuff, or the putting up for use or consumption of scraps, waste, clippings, stems, or deposits of tobacco resulting from any process of handling tobacco, or by the working or preparation of leaf-tobacco, tobacco-stems, scraps, clippings, or waste, by sifting, twisting, screening, or any other process, shall be regarded as a manufacturer of tobacco.

Tenth. Manufacturers of cigars shall each pay ten dollars. Every person whose business it is to make or manufacture cigars for himself, or who employs others to make or manufacture cigars, shall be regarded as a manufacturer of cigars. No special tax stamp shall be issued to

20 July, 1868, c. 186, s. 59, v. 15, p. 150.

Retail dealers in leaf-tobacco.

6 June, 1872, c. 315, s. 31, v. 17, p. 250.

20 July, 1868, c. 186, s. 60, v. 15, p. 152.

Dealers in tobacco.

6 June, 1872, c. 315, s. 31, v. 17, p. 250.

Manufacturers of tobacco.

6 June, 1872, c. 315, s. 31, v. 17, p. 251.

20 July, 1868, c. 186, ss. 59, 63, v. 15, pp. 150, 153.

Manufacturers of cigars.

6 June, 1872, c. 315, s. 31, v. 17, p. 251.

20 July, 1868, c. 316, s. 53, v. 15, p. 150.

any manufacturer of cigars until he has given the bond required by law. Every person whose business it is to make cigars for others, either for pay, upon commission, on shares, or otherwise, from material furnished by others, shall be regarded as a cigar-maker. Every cigar-maker shall cause his name and residence to be registered, without previous demand, with the collector of the district in which such cigar-maker shall be employed; and every manufacturer of cigars employing any cigar-maker who shall have neglected or refused to make such registry shall be fined five dollars for each day that such cigar-maker so offending, by neglect or refusal to register, shall be employed by him.

Peddlers of tobacco.

6 June, 1872, c. 315, s. 31, v. 17, p. 251.

Eleventh. Peddlers of tobacco shall be classified and rated as follows, to wit: When traveling with more than two horses, mules, or other animals, as of the first class, and shall pay fifty dollars; when traveling with two horses, mules, or other animals, as of the second class, and shall pay twenty-five dollars; when traveling with one horse, mule, or other animal, as of the third class, and shall pay fifteen dollars; when traveling on foot or by public conveyance, as of the fourth class, and shall pay ten dollars. Any person who sells or offers to sell and deliver manufactured tobacco, snuff, or cigars, traveling from place to place, in the town or through the country, shall be regarded as a peddler of tobacco.

Balance of distillers' special tax to be refunded.

6 June, 1872, c. 315, s. 12, v. 17, p. 238.

Special tax not applied to vintners or apothecaries in certain cases.

13 July 1866, c. 184, s. 9, v. 14, p. 122.

SEC. 3245. The special tax paid by distillers prior to August one, eighteen hundred and seventy-two, which has not been exhausted by the quantity of spirits distilled as provided by law, shall be refunded, upon proper application, out of any money arising from internal taxes, not otherwise appropriated.

SEC. 3246. Nothing in this chapter shall be construed to impose a special tax upon vintners who sell wine of their own growth at the place where the same is made; or upon apothecaries, as to wines or spirituous liquors which they use exclusively in the preparation or making up of medicines.

CHAPTER FOUR.

DISTILLED SPIRITS.

Sec.	Sec.
3247. Distiller, definition of.	3264. Surveys of distilleries.
3248. Distilled spirits, definition of.	3265. Notice by manufacturer of a still.
3249. Standard of proof-spirits; prevention of frauds.	Penalty for setting up still without permit.
3250. Gallon as used in sales, definition of.	3266. Distilling on certain premises prohibited; penalty.
3251. Tax on distilled spirits.	3267. Receiving-cisterns in distilleries.
3252. Adding substances to create fictitious proof; penalty.	3268. Breaking locks, gaining access to cistern, &c.; penalty.
3253. Tax on spirits removed without deposit in warehouse.	3269. Furnaces, tubs, doublers, worm-tanks; penalty.
3254. Products of distillation containing spirits.	3270. Apparatus and fastenings.
3255. Brandy made from apples, peaches, or grapes.	3271. Distillery warehouse.
3256. Evading tax; penalty.	3272. When a warehouse becomes unsafe.
3257. Distiller defrauding or attempting to defraud United States of tax on spirits.	3273. Store-keepers have charge under direction of collector.
3258. Registry of stills, &c.	3274. Custody and management of warehouse.
3259. Notice of intention to carry on business of distiller or rectifier.	3275. Distiller to keep distillery accessible.
3260. Distiller to give bond.	3276. Power of revenue officers to enter and examine distilleries.
3261. Bond not to be approved until law complied with.	Penalty for obstructing officer.
3262. Distiller must be owner in fee-simple, or have written consent of owner, &c.	3277. Distillers and rectifiers to furnish facilities for examination; penalty for neglect.
3263. Plan of distillery.	3278. Officers to break up ground or walls in order to examine.

<p>Sec. 3279. Signs to be put up by distillers and rectifiers; penalty for neglect. Penalty for using false signs, &c. 3280. Distillers not to carry on business until the law is complied with. 3281. Carrying on distilling without giving bond, &c.; penalty. 3282. Mash, wort, and vinegar. 3283. No process for distilling between 11 p. m. of Saturday and 1 a. m. of Monday. 3284. Using material, or removing spirits in absence of store-keeper; penalty. 3285. Emptying fermenting-tubs. 3286. Drawing off, water, cleansing worm-tub, &c. 3287. Drawing off gauging, &c., and removal of spirits to warehouse. 3288. Tax-paid spirits not to remain on distillery premises. 3289. Forfeiture of unstamped packages. 3290. Gauger employing distiller, &c., to use brands or perform his duties; penalty. 3291. Gauger's returns. 3292. Fraudulent inspection, gauging, &c.; penalty. 3293. Distiller's entry of deposit in warehouse. Bond for taxes. 3294. Withdrawal from warehouse, entry for. 3295. Gauging, stamping, and branding spirits removed from warehouse. 3296. Removal, concealment, &c., of spirits contrary to law; penalty. 3297. Alcohol withdrawn for scientific purposes. 3298. Power of officers to detain packages on suspicion. 3299. Forfeiture of spirits unlawfully removed from distillery. 3300. Store-keeper unlawfully removing, or allowing to be removed, &c. 3301. Store-keepers' warehouse-book and returns. 3302. Store-keepers to have charge of distillery and keep account of materials, &c. 3303. Distillers' books; entries to be made. 3304. Books to be open to inspection and preserved two years. 3305. False entries, or omitting to keep or produce books; penalty. 3306. Using false weights in ascertaining materials; penalty.</p>	<p>Sec. Using unregistered materials; penalty. 3307. Distillers' returns of production to collector. 3308. Distillers' returns of the number of barrels distilled. 3309. Monthly examination of distiller's return, &c. 3310. When distilling deemed commenced. Suspension of work; penalties. 3311. Reduction of capacity; penalty. 3312. Stamps, how prepared and issued. 3313. Stamps, form of, how used. 3314. Accountability for stamp-books. 3315. Restamping tax-paid spirits, when stamps are lost or destroyed. 3316. Officer using or issuing, or permitting use of stamps, contrary to law; penalty. 3317. Rectifiers' returns. 3318. Books to be kept by rectifiers and wholesale dealers; penalty. 3319. Purchase of quantities greater than 20 gallons from one person, &c. 3320. Gauging, inspection, and stamping of rectified spirits. 3321. Gauging, inspecting, and stamping spirits on premises of wholesale dealer. 3322. Filling blanks, and affixing and protecting stamps. 3323. Spirits drawn into new packages to be gauged and branded; forfeiture. 3324. Stamps and brands to be effaced from empty casks. Penalty for omitting to efface, and for transporting in violation of law. 3325. Buying or selling spirit-casks having inspection-marks. 3326. Changing stamps, shifting spirits, &c., penalty. 3327. Removal within certain hours from distillery or rectifier's premises. 3328. Imitations of wines. 3329. Drawback on distilled spirits. 3330. Exportation of distilled spirits withdrawn from bonded warehouses. 3331. Release of distillery before judgment, in what cases. 3332. Distillery to be destroyed in certain cases of forfeiture. 3333. When burden of proof is on claimant of spirits seized. 3334. Spirits sold under judicial process subject to tax.</p>
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SEC. 3247. Every person who produces distilled spirits, or who brews or makes mash, wort, or wash, fit for distillation or for the production of spirits, or who, by any process of evaporation, separates alcoholic spirit from any fermented substance, or who, making or keeping mash, wort, or wash, has also in his possession or use a still, shall be regarded as a distiller.

Distiller, definition of.

20 July, 1868, c. 186, s. 59, v. 15, p. 150.

SEC. 3248. Distilled spirits, spirits, alcohol, and alcoholic spirit, within the true intent and meaning of this act, is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation of grain, starch, molasses, or sugar, including all dilutions and mixtures of this substance; and the tax shall attach to this substance as soon as it is in existence as such, whether it be subsequently separated as pure or impure spirit, or be immediately, or at any subsequent time, transferred into any other substance, either in the process of original production or by any subsequent process.

Distilled spirits, definition of.

20 July, 1868, c. 186, s. 4, v. 15, p. 126.

Standard of proof spirits; prevention of frauds.

20 July, 1868, c. 186, s. 2, v. 15, p. 125.

6 June, 1872, c. 315, s. 12, v. 17, p. 239.

Gallon as used in sales, definition of.

20 July, 1868, c. 186, s. 2, v. 15, p. 125.

Tax on distilled spirits.

20 July, 1868, c. 186, ss. 1, 4, v. 15, pp. 125, 126.

6 June, 1872, c. 315, s. 12, v. 17, p. 238.

Adding substances to create fictitious proof; penalty.

20 July, 1868, c. 186, s. 38, v. 15, p. 141.

Tax on spirits removed without deposit in warehouse.

2 March, 1867, c. 169, s. 14, v. 14, p. 451.

24 Dec., 1872, c. 13, s. 2, v. 17, p. 402.

Products of distillation containing spirits.

5 Feb., 1867, Res.

Brandy made from apples, peaches, or grapes.

SEC. 3249. Proof-spirit shall be held to be that alcoholic liquor which contains one-half its volume of alcohol of a specific gravity of seven thousand nine hundred and thirty-nine ten thousandths (.7939) at sixty degrees Fahrenheit. And for the prevention and detection of frauds by distillers of spirits, the Commissioner of Internal Revenue may prescribe for use such hydrometers, saccharometers, weighing and gauging instruments, or other means for ascertaining the quantity, gravity, and producing-capacity of any mash, wort, or beer used, or to be used, in the production of distilled spirits, and the strength and quantity of spirits subject to tax, as he may deem necessary; and he may prescribe rules and regulations to secure a uniform and correct system of inspection, weighing, marking, and gauging of spirits.

SEC. 3250. In all sales of spirits a gallon shall be held to be a gallon of proof-spirit, according to the standard prescribed in the preceding section, set forth and declared for the inspection and gauging of spirits throughout the United States.

SEC. 3251. There shall be levied and collected on all distilled spirits on which the tax prescribed by law has not been paid, a tax of seventy cents on each proof-gallon, to be paid by the distiller, owner, or person having possession thereof before removal from the distillery warehouse: *Provided*, That distilled spirits lawfully deposited in a distillery bonded warehouse prior to the first day of August, eighteen hundred and seventy-two, may be withdrawn on payment of the taxes thereon at the rate, within the time, and in the manner provided by law at the time of such deposit. The tax on such spirits shall be collected on the whole number of gauge or wine gallons when below proof, and shall be increased in proportion for any greater strength than the strength of proof spirit, as defined in this Title; and any fractional part of a gallon amounting to one-half gallon or over in a cask or package shall be taxed as a gallon, and any fractional part of a gallon less than one-half gallon in any cask or package shall be exempt from tax. Every proprietor or possessor of, and every person in any manner interested in the use of, any still, distillery, or distilling apparatus, shall be jointly and severally liable for the taxes imposed by law on the distilled spirits produced therefrom, and the tax shall be a first lien on the spirits distilled, the distillery used for distilling the same, the stills, vessels, fixtures, and tools therein, the lot or tract of land whereon the said distillery is situated, and on any building thereon from the time said spirits are in existence as such until the said tax is paid.

SEC. 3252. Every person who adds or causes to be added any ingredient or substance to any distilled spirits before the tax is paid thereon, for the purpose of creating a fictitious proof, shall be fined not less than one hundred dollars nor more than one thousand dollars for each cask or package so adulterated, and imprisoned not less than three months nor more than two years; and every such cask or package, with its contents, shall be forfeited to the United States.

SEC. 3253. The tax upon any distilled spirits, removed from the place where they were distilled and not deposited in bonded warehouse as required by law, shall, at any time, when knowledge of such fact is obtained by the Commissioner of Internal Revenue, be assessed by him upon the distiller of the same, and returned to the collector, who shall immediately demand payment of such tax, and, upon the neglect or refusal of payment by the distiller, shall proceed to collect the same by distraint. But this provision shall not exclude any other remedy or proceeding provided by law.

SEC. 3254. All products of distillation, by whatever name known, which contain distilled spirits or alcohol, on which the tax imposed by law has not been paid, shall be considered and taxed as distilled spirits.

11, s. 1, v. 14, p. 565.

SEC. 3255. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may exempt distillers of brandy made exclusively from apples, peaches, or grapes, from any provision of this

Title, relating to the manufacture of spirits, except as to the tax thereon, when in his judgment it may seem expedient to do so.

20 July, 1868, c. 186, s. 2, v. 15, p. 125.
11 Int. Rev. Rec., 125.

SEC. 3256. Whenever any person evades, or attempts to evade, the payment of the tax on any distilled spirits, in any manner whatever, he shall forfeit and pay double the amount of the tax so evaded or attempted to be evaded.

Evading tax; penalty.
20 July, 1868, c. 186, s. 39, v. 15, p. 141.

SEC. 3257. Whenever any person engaged in carrying on the business of a distiller defrauds or attempts to defraud the United States of the tax on the spirits distilled by him, or of any part thereof, he shall forfeit the distillery and distilling-apparatus used by him, and all distilled spirits and all raw materials for the production of distilled spirits found in the distillery and on the distillery premises, and shall be fined not less than five hundred dollars nor more than five thousand dollars, and be imprisoned not less than six months nor more than three years.

Distiller defrauding or attempting to defraud United States of tax on spirits.
31 March, 1868, c. 41, s. 5, v. 15, p. 59.

SEC. 3258. Every person having in his possession or custody, or under his control, any still or distilling-apparatus set up, shall register the same with the collector of the district in which it is, by subscribing and filing with him duplicate statements, in writing, setting forth the particular place where such still or distilling-apparatus is set up, the kind of still and its cubic contents, the owner thereof, his place of residence, and the purpose for which said still or distilling-apparatus has been or is intended to be used; one of which statements shall be retained and preserved by the collector, and the other transmitted by him to the Commissioner of Internal Revenue. Stills and distilling-apparatus shall be registered immediately upon their being set up. Every still or distilling-apparatus not so registered, together with all personal property in the possession or custody, or under the control of such person, and found in the building, or in any yard or inclosure connected with the building in which the same may be set up, shall be forfeited. And every person having in his possession or custody, or under his control, any still or distilling-apparatus set up which is not so registered, shall pay a penalty of five hundred dollars, and shall be fined not less than one hundred dollars, nor more than one thousand dollars, and imprisoned for not less than one month, nor more than two years.

Registry of stills, &c.

30 July, 1868, c. 186, s. 5, v. 15, p. 126.

24 Dec., 1872, c. 13, ss. 1, 2, v. 17, pp. 401, 402.

SEC. 3259. Every person engaged in, or intending to be engaged in, the business of a distiller or rectifier, shall give notice in writing, subscribed by him, to the collector of the district wherein such business is to be carried on, stating his name and residence, and if a company or firm, the name and residence of each member thereof, the name and residence of every person interested or to be interested in the business, the precise place where said business is to be carried on, and whether of distilling or rectifying; and if such business is carried on in a city, the residence and place of business shall be indicated by the name of the street and number of the building. In case of a distiller, the notice shall also state the kind of stills and the cubic contents thereof, the number and kind of boilers, the number of mash-tubs and fermenting-tubs, the cubic contents of each tub, the number of receiving-cisterns, the cubic contents of each cistern, the number of hours in which the distillery will ferment each tub of mash or beer, the estimated quantity of distilled spirits which the apparatus is capable of distilling every twenty-four hours, a particular description of the lot or tract of land on which the distillery is situated, and of the buildings thereon, including their size, material, and construction; and that said distillery premises are not within six hundred feet, in a direct line, of any premises authorized to be used for rectifying or refining distilled spirits by any process. In case of a rectifier, the notice shall state the precise place where such business is to be carried on, the name and residence of every person interested or to be interested in the business, the process by which the applicant intends to rectify, purify, or refine distilled spirits, the kind and cubic contents of any still used or to be used for such purpose, the estimated quantity of

Notice of intention to carry on business of distiller or rectifier.

20 July, 1868, c. 186, s. 6, v. 15, pp. 126, 127.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

spirits which can be rectified, purified, or refined every twenty-four hours in such establishment, and that said rectifying-establishment is not within six hundred feet, in a direct line, of the premises of any distillery registered for the distillation of spirits. In case of any change in the location, form, capacity, ownership, agency, superintendency, or in the persons interested in the business of such distillery or rectifying-establishment, or in the time of fermenting the mash or beer, notice thereof, in writing, shall be given to the said collector or proper deputy collector, of the district within twenty-four hours after such change; and any deputy collector receiving such notice shall immediately transmit the same to the collector of the district. Every notice required by this section shall be in such form, and shall contain such additional particulars, as the Commissioner of Internal Revenue may, from time to time, prescribe. Every person who fails or refuses to give such notice shall pay a penalty of one thousand dollars, and shall be fined not less than one hundred dollars nor more than two thousand dollars; and every person who gives a false or fraudulent notice shall, in addition to such penalty or fine, be imprisoned not less than six months nor more than two years.

Distiller to give bond.

20 July, 1868, c. 186, s. 7, v. 15, p. 127.

6 June, 1872, c. 315, s. 12, v. 17, p. 239.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

U. S. vs. Hodson, 10 Wall., 395; *U. S. vs. Powell*, 14 Wall., 493; *U. S. vs. Thirty-five Barrels*, 9 Int. Rev. Rec., 67.

SEC. 3260. Every person intending to commence or to continue the business of a distiller shall, on filing with the collector his notice of such intention, and before proceeding with such business, and on the first day of May of each succeeding year, execute a bond in the form prescribed by the Commissioner of Internal Revenue, conditioned that he shall faithfully comply with all the provisions of law relating to the duties and business of distillers, and shall pay all penalties incurred or fines imposed on him for a violation of any of the said provisions; and that he shall not suffer the lot or tract of land on which the distillery stands, or any part thereof, or any of the distilling-apparatus, to be incumbered by mortgage, judgment, or other lien, during the time in which he shall carry on said business. Said bond shall be with at least two sureties, approved by the collector of the district, and for a penal sum not less than double the amount of tax on the spirits that can be distilled in his distillery during a period of fifteen days. The collector may refuse to approve said bond when, in his judgment, the situation of the distillery is such as would enable the distiller to defraud the United States; and in case of such refusal the distiller may appeal to the Commissioner of Internal Revenue, whose decision in the matter shall be final. A new bond shall be required in case of the death, insolvency, or removal of either of the sureties, and may be required in any other contingency at the discretion of the collector or Commissioner of Internal Revenue. Every person who fails or refuses to give the bond hereinbefore required, or to renew the same, or who gives any false, forged, or fraudulent bond, shall forfeit the distillery, distilling-apparatus, and all real estate and premises connected therewith, and shall be fined not less than five hundred dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than two years.

Bond not to be approved until law complied with.

20 July, 1868, c. 186, s. 17, v. 15, p. 131.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.—*U. S. vs. Thirty-five Barrels*, 9 Int. Rev. Rec., 67.

Distiller must be owner in fee-simple, or have written consent of owner, &c.

20 July, 1868, c. 186, s. 8, v. 15, p. 127.

SEC. 3261. No collector shall approve the bond of any distiller until all the requirements of the law and all regulations made by the Commissioner of Internal Revenue in relation to distilleries, in pursuance thereof, have been complied with. Every collector who violates this provision shall forfeit and pay two thousand dollars, and be dismissed from office.

SEC. 3262. No bond of a distiller shall be approved, unless he is the owner in fee, unincumbered by any mortgage, judgment, or other lien, of the lot or tract of land on which the distillery is situated, or unless he files with the collector, in connection with his notice, the written consent of the owner of the fee, and of any mortgagee, judgment-creditor, or other person having a lien thereon, duly acknowledged, that the premises may be used for the purpose of distilling spirits, subject to the

provisions of law, and expressly stipulating that the lien of the United States for taxes and penalties shall have priority of such mortgage, judgment, or other incumbrance, and that in case of the forfeiture of the distillery premises, or of any part thereof, the title of the same shall vest in the United States, discharged from such mortgage, judgment, or other incumbrance. In any case where the owner of a distillery or distilling-apparatus, erected prior to the twentieth day of July, eighteen hundred and sixty-eight, has only an estate for a term of years or other estate less than fee-simple in the lot or tract of land on which the distillery is situated, the evidence of title to which shall have been duly recorded prior to that date; or in like case, where the lease or other evidence of title is held but was not required by the laws of the State to be recorded in order to be valid at the time of its execution; or in any case of such prior erection where the title was then, and has continued to be, in litigation; or in any case of such prior erection where such owner is possessed of the fee, but incumbered with a mortgage executed and duly recorded prior to said twentieth of July, eighteen hundred and sixty-eight, and not due, or in any case of such prior erection where the fee is held by a feme-covert, minor, person of unsound mind, or other person incapable of giving consent, as hereinbefore required, the value of such lot or tract of land, together with the building and distilling-apparatus, shall be appraised in the manner to be prescribed by the Commissioner of Internal Revenue; and the collector may, at the discretion of the Commissioner, be authorized to accept, in lieu of the said written consent of the owner of the fee, the bond of such distiller, in such form as the Commissioner may prescribe, with not less than two sureties, conditioned that in case the distillery, distilling-apparatus, or any part thereof, shall by final judgment be forfeited for the violation of any of the provisions of law, the obligors shall pay the amount stated in said bond. Said sureties shall be residents of the collection-district or county, or of an adjoining county in the same State in which the distillery is situated, and owners of unincumbered real estate in said district or county, or adjoining county, equal to such appraised value, and the penal sum of said bond shall be equal to the appraised value of said lot or tract of land together with the buildings and distilling-apparatus: *Provided*, That, in case of any distillery sold at judicial or other sale in favor of the United States, a bond may be taken at the discretion of the Commissioner of Internal Revenue, in lieu of the written consent required by this section, and the person giving such bond may be allowed to operate such distillery during the existence of the right of redemption from such sale, on complying with all the other provisions of law.

SEC. 3263. Every distiller and person intending to engage in the business of a distiller shall, previous to the approval of his bond, cause to be made, under the direction of the collector of the district, an accurate plan and description, in triplicate, of the distillery and distilling-apparatus, distinctly showing the location of every still, boiler, doubler, worm-tub, and receiving-cistern, the course and construction of all fixed pipes used or to be used in the distillery, and of every branch and every cock or joint thereof, and of every valve therein, together with every place, vessel, tub, or utensil from and to which any such pipe leads, or with which it communicates; also the number and location and cubic contents of every still, mash-tub, and fermenting-tub, the cubic contents of every receiving-cistern, and the color of each fixed pipe, as required in this Title. One copy of said plan and description shall be kept displayed in some conspicuous place in the distillery, and two copies shall be furnished to the collector of the district, one of which shall be kept by him, and the other transmitted to the Commissioner of Internal Revenue. The accuracy of every such plan and description shall be verified by the collector, the draughtsman, and the distiller; and no alteration shall be made in such distillery without the consent, in writing, of the collector. Any alteration so made shall be shown on the original, or by

10 April, 1869, c. 18, s. 1, v. 16, p. 41.

6 June, 1872, c. 315, s. 13, v. 17, p. 243.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Plan of distillery.

20 July, 1868, c. 186, s. 9, v. 15, p. 128.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

a supplemental plan and description, and a reference thereto noted on the original, as the collector may direct; and any supplemental plan and description shall be executed and preserved in the same manner as the original.

Surveys of distilleries.

6 June, 1872, c. 315, s. 12, v. 17, p. 239.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

SEC. 3264. On receipt of notice that any person wishes to commence the business of distilling, the collector shall proceed, at the expense of the United States, with the aid of an assistant designated for the purpose by the Commissioner of Internal Revenue, to make a survey of such distillery, for the purpose of estimating and determining its true spirit-producing capacity for a day of twenty-four hours. In all surveys forty-five gallons of mash or beer brewed or fermented from grain shall represent not less than one bushel of grain, and seven gallons of mash or beer brewed or fermented from molasses shall represent not less than one gallon of molasses, except in distilleries operating on the sour-mash principle, in which distilleries sixty gallons of beer brewed or fermented from grain shall represent not less than one bushel of grain. A written report of such survey shall be made in triplicate, of which one copy shall be delivered to the distiller, one copy shall be retained by the collector, and one copy shall be transmitted to the Commissioner of Internal Revenue, and the survey shall take effect upon the delivery of such copy to the distiller. Whenever the Commissioner is satisfied that any report of the capacity of a distillery is incorrect or needs revision, he shall direct the collector to make, in like manner, another survey of said distillery, and the report thereof shall be made and deposited as hereinbefore provided.

Notice by manufacturer of a still.

20 July, 1868, c. 186, s. 14, v. 15, p. 130.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Penalty for setting up still without permit.

SEC. 3265. Any person who manufactures any still, boiler, or other vessel to be used for the purpose of distilling, shall, before the same is removed from the place of manufacture, notify in writing the collector of the district in which such still, boiler, or other vessel is to be used or set up, by whom it is to be used, its capacity, and the time when the same is to be removed from the place of manufacture; and no such still, boiler, or other vessel shall be set up without the permit in writing of the said collector for that purpose; and any person who sets up any such still, boiler, or other vessel, without first obtaining a permit from the said collector of the district in which such still, boiler, or other vessel is intended to be used, or who fails to give such notice, shall pay in either case the sum of five hundred dollars, and shall forfeit the distilling-apparatus thus removed or set up in violation of law.

Distilling on certain premises prohibited; penalty.

20 July, 1868, c. 186, s. 12, v. 15, p. 130.

13 July, 1866, c. 184, s. 25, v. 14, p. 154.

6 June, 1872, c. 315, s. 12, v. 17, p. 239.

SEC. 3266. No person shall use any still, boiler, or other vessel, for the purpose of distilling, in any dwelling-house, or in any shed, yard, or inclosure connected with any dwelling-house, or on board of any vessel or boat, or in any building, or on any premises where beer, lager-beer, ale, porter, or other fermented liquors, vinegar, or ether, are manufactured or produced, or where sugars or sirups are refined, or where liquors of any description are retailed, or where any other business is carried on; or within six hundred feet in a direct line of any premises authorized to be used for rectifying; and every person who does any of the acts prohibited by this section, or aids or assists therein, or causes or procures the same to be done, shall be fined one thousand dollars and imprisoned for not less than six months nor more than two years, in the discretion of the court, for each such offense: *Provided*, That saleratus may be manufactured, or meal or flour ground from grain, in any building or on any premises where spirits are distilled; but such meal or flour shall be used only for distillation on the premises: *Provided further*, That any boiler used in generating steam or heating water to be used in any distillery, may be located in any other building or on any other premises to be connected with such still or boiling-tubs, by suitable pipes or other apparatus, or the steam from such boiler in the distillery may be conveyed to other premises to be used for manufacturing or other purposes.

Receiving-cisterns in distilleries.

SEC. 3267. The owner, agent, or superintendent of any distillery established as hereinbefore provided, shall erect, in a room or building to

be provided and used for that purpose, and for no other, and to be constructed in the manner to be prescribed by the Commissioner of Internal Revenue, two or more receiving-cisterns, each to be at least of sufficient capacity to hold all the spirits distilled during the day of twenty-four hours, into which shall be conveyed all the spirits produced in said distillery; and each of said cisterns shall be so constructed as to leave an open space of at least three feet between the top thereof and the floor or roof above, and of not less than eighteen inches between the bottom thereof and the floor below, and shall be so situated that the officer can pass around the same, and shall be connected with the outlet of the worm or condenser by suitable pipes or other apparatus, so constructed as always to be exposed to the view of the officer, and so connected and constructed as to prevent the abstraction of spirits while passing from the outlet of the worm or condenser back to the still or doubler, or forward to the receiving-cistern. Such cisterns and the room in which they are contained shall be in charge and under the lock and seal of the internal-revenue gauger designated for that duty; and all locks and seals required by law shall be provided by the Commissioner of Internal Revenue, at the expense of the United States; and the keys shall be in charge of the collector or such gauger as he may designate. On the third day after the spirits are conveyed into such cistern they shall be drawn off into casks, under the supervision of such gauger, in the presence of the store-keeper, and be removed directly to the distillery warehouse; but on special application to the collector by the owner, agent, or superintendent of any distillery, the spirits may be drawn off from the said cisterns, under the supervision of the gauger, at any time previous to the third day.

SEC. 3268. Every person who destroys, breaks, injures, or tampers with any lock or seal which may be placed on any cistern-room or building by the duly authorized officers of the revenue, or opens said lock or seal, or the door to said cistern-room or building, or in any manner gains access to the contents therein, in the absence of the proper officer, shall be fined not less than five hundred dollars nor more than five thousand dollars, and imprisoned not less than one year nor more than three years.

SEC. 3269. The door of the furnace of every still or boiler used in any distillery shall be so constructed that it may be securely fastened and locked. The fermenting-tubs shall be so placed as to be easily accessible to any revenue officer, and each tub shall have distinctly painted thereon in oil-colors its cubic contents in gallons and the number of the tub. There shall be a clear space of not less than one foot around every wood-still, and not less than two feet around every doubler and worm-tank. The doubler and worm-tanks shall be elevated not less than one foot from the floor; and every fixed pipe to be used by the distiller, except for conveyance of water, or of spent mash or beer only, shall be so fixed and placed as to be capable of being examined by the officer for the whole of its length or course, and shall be painted, and kept painted, as follows, that is to say: Every pipe for the conveyance of mash or beer shall be painted of a red color; every pipe for the conveyance of low-wines back into the still or doubler shall be painted blue; every pipe for the conveyance of spirits shall be painted black, and every pipe for the conveyance of water shall be painted white. Whenever any fixed pipe is used by any distiller which is not painted or kept painted as herein directed, or which is painted otherwise than as herein directed, he shall forfeit the sum of one thousand dollars.

SEC. 3270. The Commissioner of Internal Revenue is authorized to order and require such changes of or additions to distilling apparatus, connecting-pipes, pumps, or cisterns, or any machinery connected with or used in or on the distillery premises, or may require to be put on any of the stills, tubs, cisterns, pipes, or other vessels, such fastenings, locks, or seals as he may deem necessary.

SEC. 3271. Every distiller shall provide, at his own expense, a warehouse, to be situated on and to constitute a part of his distillery premises,

20 July, 1868, c. 186, s. 16, v. 15, p. 131.

6 June, 1872, c. 315, s. 12, v. 17, p. 239.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Breaking locks, gaining access to cistern, &c.; penalty.

20 July, 1868, c. 186, s. 40, v. 15, p. 141.

Furnaces, tubs, doublers, worm-tanks; penalty.

20 July, 1868, c. 186, s. 17, v. 15, p. 131.

Apparatus and fastenings.

6 June, 1872, c. 315, s. 12, v. 17, p. 239.

Distillery warehouse.

20 July, 1868, c. 186, s. 15, v. 15, p. 130.

6 June, 1872, c. 315, s. 12, v. 17, p. 239.

U. S. vs. Powell,
14 Wall., 493.

When a warehouse becomes unsafe.

20 July, 1868, c. 186, s. 56, v. 15, p. 149.

Store-keepers have charge under direction of collector.

20 July, 1868, c. 186, ss. 21, 52, v. 15, pp. 134, 146.

Custody and management of warehouse.

20 July, 1868, c. 186, s. 52, v. 15, p. 146.

Distiller to keep distillery accessible.

20 July, 1868, c. 186, s. 18, v. 15, p. 132.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Power of revenue officers to enter and examine distilleries.

20 July, 1868, c. 186, s. 32, v. 15, p. 139.

and to be used only for the storage of distilled spirits of his own manufacture until the tax thereon shall have been paid; but no dwelling-house shall be used for such purpose, and no door, window, or other opening shall be made or permitted in the walls of such warehouse leading into the distillery or into any other room or building; and such warehouse, when approved by the Commissioner of Internal Revenue, on report of the collector, is hereby declared to be a bonded warehouse of the United States, to be known as a distillery warehouse, and shall be under the direction and control of the collector of the district, and in charge of an internal-revenue store-keeper, assigned thereto by the Commissioner.

SEC. 3272. Whenever in the opinion of the Commissioner of Internal Revenue any distillery or other warehouse is unsafe or unfit for use, or the merchandise therein is for any reason liable to loss or great wastage, he may discontinue such warehouse, and require the merchandise therein to be transferred to such other warehouse as he may designate and within such time as he may prescribe. Such transfer shall be made under the supervision of the collector, or of such other officer as may be designated by the Commissioner, and the expense thereof shall be paid by the owner of the merchandise. Whenever the owner of such merchandise fails to make such transfer within the time prescribed, or to pay the just and proper expense of such transfer, as ascertained and determined by the Commissioner, such merchandise may be seized and sold by the collector in the same manner as goods are sold upon distraint for taxes, and the proceeds of such sale shall be applied to the payment of the taxes due thereon and the costs and expenses of such sale and removal, and the balance paid over to the owner of such merchandise.

SEC. 3273. The store-keeper assigned to any distillery warehouse shall also have charge of the distillery connected therewith; and every store-keeper shall have charge of the warehouse to which he is assigned, and of such distillery, under the direction of the collector controlling the same.

SEC. 3274. Every distillery warehouse shall be in the joint custody of the store-keeper and the proprietor thereof. It shall be kept securely locked, and shall at no time be unlocked, or opened, or remain open, unless in the presence of such store-keeper, or other person who may be designated to act for him, as provided by law; and no articles shall be received in or delivered from such warehouse except on an order or permit addressed to the store-keeper and signed by the collector having control of the warehouse.

SEC. 3275. No fence or wall of a height greater than five feet shall be erected or maintained around the premises of any distillery, so as to prevent easy and immediate access to such distillery. And every distiller shall furnish to the collector of the district as many keys of the gates and doors of the distillery as may be required by the collector, from time to time, for any revenue officer or other person who may be authorized to make survey or inspection of the premises, or of the contents thereof; and said distillery shall be kept always accessible to any officer or other person having any such key. Every person who violates any of the foregoing provisions of this section by negligence or refusal, or otherwise, shall pay a penalty of five hundred dollars.

SEC. 3276. It shall be lawful for any revenue officer at all times, as well by night as by day, to enter into any distillery or building or place used for the business of distilling, or used in connection therewith for storage or other purposes, and to examine, gauge, measure, and take an account of every still or other vessel or utensil of any kind, and of all low-wines, and of the quantity and gravity of all mash, wort, or beer, and of all yeast, or other compositions for exciting or producing fermentation in any mash or beer, of all spirits and of all materials for making or distilling spirits, which may be in any such distillery or premises, or in possession of the distiller. And whenever any internal-

revenue officer, or any person called by him to his aid, is hindered, obstructed, or prevented by any distiller or by any workman, or other person acting for such distiller, or in his employ, from entering into any such distillery or building or place as aforesaid; or any such officer is by the distiller, or his workman, or any person in his employ, prevented or hindered from, or opposed, or obstructed, or molested in the performance of his duty under the internal-revenue laws, in any respect, the distiller shall forfeit the sum of one thousand dollars. And whenever any officer, having demanded admittance into a distillery or distillery premises, and having declared his name and office, is not admitted into such distillery or premises by the distiller or other person having charge thereof, it shall be lawful for such officer at all times, as well by night as by day, to break open by force any of the doors or windows, or to break through any of the walls of such distillery or premises necessary to be broken open or through, to enable him to enter the said distillery or premises; and the distiller shall forfeit the sum of one thousand dollars.

Penalty for obstructing officer.

SEC. 3277. On the demand of any internal-revenue officer, every distiller or rectifier shall furnish strong, safe, and convenient ladders of sufficient length to enable the officer to examine and gauge any vessel or utensil in such distillery or premises; and shall, at all times when required, supply all assistance, lights, ladders, tools, staging, or other things necessary for inspecting the premises, stock, tools, and apparatus belonging to such person, and shall open all doors, and open for examination all boxes, packages, and all casks, barrels, and other vessels not under the control of the revenue officer in charge, under a penalty of five hundred dollars for every refusal or neglect so to do.

Distillers and rectifiers to furnish facilities for examination; penalty for neglect.

20 July, 1868, c. 186, s. 33, v. 15, p. 139.

SEC. 3278. It shall be lawful for any revenue officer, and any person acting in his aid, to break up the ground on any part of a distillery, or premises of a distiller or rectifier, or any ground adjoining or near to such distillery or premises, or any wall or partition thereof, or belonging thereto, or other place, to search for any pipe, cock, private conveyance, or utensil; and, upon finding any such pipe or conveyance leading therefrom or thereto, to break up any ground, house, wall, or other place through or into which such pipe or other conveyance leads, and to break or cut away such pipe or other conveyance, and turn any cock, or to examine whether such pipe or other conveyance conveys or conceals any mash, wort, or beer, or other liquor, which may be used for the distillation of low-wines or spirits, from the sight or view of the officer, so as to prevent or hinder him from taking a true account thereof.

Officers to break up ground or walls in order to examine.

20 July, 1868, c. 186, s. 34, v. 15, p. 140.

SEC. 3279. Every person engaged in distilling or rectifying spirits, and every wholesale liquor-dealer, shall place and keep conspicuously on the outside of the place of such business a sign, exhibiting in plain and legible letters, not less than three inches in length, painted in oil-colors or gilded, and of a proper and proportionate width, the name or firm of the distiller, rectifier, or wholesale dealer, with the words: "Registered distillery," "rectifier of spirits," or "wholesale liquor-dealer," as the case may be. Every person who violates the foregoing provision by negligence or refusal, or otherwise, shall pay a penalty of five hundred dollars. And every person, other than a rectifier or wholesale liquor-dealer who has paid the special tax, or a distiller who has given bond as required by law, who puts up or keeps up the sign required by this section, or any sign indicating that he may lawfully carry on the business of a distiller, rectifier, or wholesale liquor-dealer, shall forfeit and pay one thousand dollars, and shall be imprisoned not less than one month nor more than six months. And every person who works in any distillery, rectifying establishment, or wholesale liquor-store, on which no sign is placed and kept, as hereinbefore provided; and every person who knowingly receives at, carries or conveys any distilled spirits to or from, any such distillery, rectifying establishment, warehouse, or store, or who knowingly carries and delivers any grain, molasses, or other raw material to any distillery on which such sign is not placed

Signs to be put up by distillers and rectifiers; penalty for neglect.

20 July, 1868, c. 186, s. 18, v. 15, p. 132.

Penalty for using false signs, &c.

and kept, shall forfeit all horses, carts, drays, wagons, or other vehicle or animal used in carrying or conveying such property aforesaid, and shall be fined not less than one hundred dollars nor more than one thousand dollars, or be imprisoned not less than one month nor more than six months.

Distillers not to carry on business until the law is complied with.

20 July, 1868, c. 186, s. 11, v. 15, p. 129.

6 June, 1872, c. 315, s. 12, v. 17, p. 239.

SEC. 3280. It shall not be lawful for any distiller to commence or to continue the business of distilling, until he has given the bond required by law, and complied with the provisions of law relating to the registration and survey of distilleries, and the arrangement and construction of distilleries and the premises connected therewith; nor shall it be lawful for any person to engage in the business of distilling on any premises distant less than six hundred feet in a direct line from any premises used for rectifying; nor shall the processes of distillation and rectification both be carried on within the distance of six hundred feet in a direct line.

Carrying on distillery without giving bond, &c.; penalty.

20 July, 1868, c. 186, s. 44, v. 15, p. 142.

6 June, 1872, c. 315, s. 12, v. 17, p. 240.

U. S. vs. A Distillery, 2 Abb. U. S., 192.

SEC. 3281. Every person who carries on the business of a distiller without having given bond as required by law, or who engages in or carries on the business of a distiller with intent to defraud the United States of the tax on the spirits distilled by him, or of any part thereof, shall, for every such offense, be fined not less than one thousand dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than two years. And all distilled spirits or wines, and all stills or other apparatus fit or intended to be used for the distillation or rectification of spirits, or for the compounding of liquors, owned by such person, wherever found, and all distilled spirits or wines and personal property found in the distillery or in any building, room, yard, or inclosure connected therewith, and used with or constituting a part of the premises, and all the right, title, and interest of such person in the lot or tract of land on which such distillery is situated, and all right, title, and interest therein of every person, who knowingly has suffered or permitted the business of a distiller to be there carried on, or has connived at the same; and all personal property owned by or in possession of any person who has permitted or suffered any building, yard, or inclosure, or any part thereof, to be used for purposes of ingress or egress to or from such distillery, which shall be found in any such building, yard, or inclosure, and all the right, title, and interest of every person in any premises used for ingress or egress to or from such distillery, who has knowingly suffered or permitted such premises to be used for such ingress or egress, shall be forfeited to the United States.

Mash, wort, and vinegar.

20 July, 1868, c. 186, s. 4, v. 15, p. 126.

3 Mar., 1871, Res. 53, v. 16, p. 601.

SEC. 3282. No mash, wort, or wash, fit for distillation or for the production of spirits or alcohol, shall be made or fermented in any building or on any premises other than a distillery duly authorized according to law; and no mash, wort, or wash so made and fermented shall be sold or removed from any distillery before being distilled; and no person, other than an authorized distiller, shall, by distillation, or by any other process, separate the alcoholic spirits from any fermented mash, wort, or wash; and no person shall use spirits or alcohol, or any vapor of alcoholic spirits, in manufacturing vinegar or any other article, or in any process of manufacture whatever, unless the spirits or alcohol so used shall have been produced in an authorized distillery and the tax thereon paid. Every person who violates any provision of this section shall be fined for each offense not less than five hundred dollars nor more than five thousand dollars, and be imprisoned not less than six months nor more than two years: *Provided further*, That nothing in this section shall be construed to apply to fermented liquors, or to fermented liquids used for the manufacture of vinegar exclusively. But nothing herein contained shall be construed to authorize the distillation of such fermented liquids, except in an authorized distillery.

No process for distilling between 11 p. m. of Saturday and 1 a. m. of Monday.

SEC. 3283. No malt, corn, grain, or other material shall be mashed, nor any mash, wort, or beer brewed or made, nor any still used by a distiller, at any time between the hour of eleven in the afternoon of any Saturday and the hour of one in the forenoon of the next succeeding

Monday; and every person who violates the provisions of this section shall be liable to a penalty of one thousand dollars.

20 July, 1868, c. 186, s. 35, v. 15, p. 140.

SEC. 3284. Every distiller or person employed in any distillery who, in the absence of the store-keeper, or person designated to act as store-keeper, uses, or causes or permits to be used, any material for the purpose of making mash, wort, or beer, or for the production of spirits, or removes any spirits, shall forfeit and pay double the amount of taxes on the spirits so produced, distilled, or removed, and in addition thereto be liable to a penalty of one thousand dollars.

Using material, or removing spirits in absence of store-keeper; penalty.

20 July, 1868, c. 186, s. 21, v. 15, p. 134.

SEC. 3285. Every fermenting-tub shall be emptied at the end of the fermenting period, and shall remain empty for twenty-four hours.

Emptying fermenting tubs.

20 July, 1868, c. 186, s. 19, v. 15, p. 133.

SEC. 3286. Whenever any officer requires the water contained in any worm-tub in a distillery, at any time when the still is not at work, to be drawn off, and the tub and worm cleansed, the water shall forthwith be drawn off, and the tub and worm cleansed by the distiller, or his workmen, accordingly; and the water shall be kept and continued out of such worm-tub for the period of two hours, or until the officer has finished his examination thereof. For any refusal or neglect to comply with any provision of this section, the distiller shall forfeit the sum of one thousand dollars; and it shall be lawful for the officer to draw off such water, or any portion of it, and to keep the same drawn off for so long a time as he shall think necessary.

Drawing off water, cleansing worm-tub, &c.

20 July, 1868, c. 186, s. 31, v. 15, p. 139.

SEC. 3287. All distilled spirits shall be drawn from the receiving-cisterns into casks, each of not less capacity than twenty gallons wine-measure, and shall thereupon be gauged, proved, and marked by an internal-revenue gauger, by cutting on the cask containing such spirits, in a manner to be prescribed by the Commissioner of Internal Revenue, the quantity in wine-gallons and in proof-gallons of the contents of such casks, and shall be immediately removed into the distillery warehouse, and the gauger shall, in presence of the store-keeper of the warehouse, place upon the head of the cask an engraved stamp, which shall be signed by the collector of the district and the store-keeper and gauger, and shall have written thereon the number of proof-gallons contained therein, the name of the distiller, the date of the receipt in the warehouse, and the serial number of each cask, in progressive order, as the same are received from the distillery. Such serial number for every distillery shall be in regular sequence of the serial number thereof, beginning with number one (No. 1) with the first cask deposited therein after July twenty, eighteen hundred and sixty-eight, and no two or more casks warehoused at the same distillery shall be marked with the same number. The said stamp shall be as follows:

Drawing off, gauging, &c., and removal of spirits to warehouse.

20 July, 1868, c. 186, s. 23, v. 15, p. 135.

Distillery-warehouse stamp No. —. Issued by —, collector, — district, State of —, distillery warehouse of —, 18—. Cask No. —; contents — galls proof-spirits.

United States Store-keeper.

Attest:

United States Gauger.

SEC. 3288. No distilled spirits on which the tax has been paid shall be stored or allowed to remain on any distillery premises, under the penalty of a forfeiture of all spirits so found.

Tax-paid spirits not to remain on distillery premises.

13 July, 1866, c. 184, s. 43, v. 14, p. 162.

SEC. 3289. All distilled spirits found in any cask or package containing five gallons or more, without having thereon each mark and stamp required therefor by law, shall be forfeited to the United States.

Forfeiture of un-stamped packages.

20 July, 1868, c. 186, s. 57, v. 15, p. 150. 6 June, 1872, c. 315, s. 12, v. 17, p. 243.—14 Int. Rev. Rec., 6.

Gauger employ-
ing distiller, &c.,
to use brands or
perform his duties;
penalty.

13 July, 1866, c.
184, s. 38, v. 14, p.
160.

Gauger's returns.

20 July, 1868, c.
186, s. 53, v. 15, p.
147.

24 Dec., 1872, c.
13, s. 1, v. 17, p. 401.

Fraudulent in-
spection, gauging,
&c.; penalty.

20 July, 1868, c.
186, s. 53, v. 15, p.
147.

Distiller's entry
of deposit in ware-
house.

20 July, 1868, c.
186, s. 23, v. 15, p.
135.

6 June, 1872, c.
315, s. 12, v. 17, p.
240.

SEC. 3290. Whenever any gauger employs any owner, agent, or super-
intendent of any distillery or distillery warehouse, or any person in the
service of such owner, agent, or superintendent, or any rectifier or
wholesale liquor-dealer, or any person in the service of such rectifier or
wholesale liquor-dealer, to use his brands, or to discharge any of the
duties imposed upon him by law, he shall, for each offense so committed,
pay a fine not exceeding one thousand dollars, in the discretion of the
court.

SEC. 3291. Every gauger shall, under such regulations as may be
prescribed by the Commissioner of Internal Revenue, make a daily
return to the collector of his district, giving a true account, in detail, of
all articles gauged and proved or inspected by him, and for whom, and
the number and kind of stamps used by him.

SEC. 3292. Every gauger who makes any false or fraudulent inspec-
tion, gauging, or proof shall pay a penalty of one thousand dollars, and
be fined not less than five hundred dollars nor more than five thousand
dollars, and imprisoned not less than three months nor more than three
years.

SEC. 3293. The distiller or owner of all spirits removed as aforesaid
to the distillery warehouse shall, on the first day of each month, or
within five days thereafter, enter the same for deposit in such ware-
house, under such regulations as the Commissioner of Internal Revenue
may prescribe. Said entry shall be in triplicate, and shall contain the
name of the person making the entry, the designation of the warehouse
in which the deposit is made, and the date thereof, and shall be in the
following form:

Entry for deposit in distillery warehouse.

Entry of distilled spirits deposited by———, in distillery
warehouse———, in the——— district, State of———, on the—— day
of———, anno Domini———.

And the entry shall specify the kind of spirits, the whole number of
casks, the marks and serial numbers thereon, the number of gauge or
wine gallons and proof-gallons, and the amount of the tax on the spirits
contained in them; all of which shall be verified by the oath of the
distiller or owner of the same attached to the entry. The said distiller
or owner shall give his bond in duplicate, with one or more sureties,
satisfactory to the collector of the district, conditioned that the princi-
pal named in said bond shall pay the tax on the spirits as specified in
the entry, or cause the same to be paid, before removal from said dis-
tillery warehouse, and within one year from the date of said bond; and
the penal sum of such bond shall not be less than double the amount of
the tax on such distilled spirits. One of said entries shall be retained
in the office of the collector of the district, one sent to the store-keeper
in charge of the warehouse, to be retained and filed in the warehouse,
and one sent with duplicate of the bond to the Commissioner of Internal
Revenue, to be filed in his office.

SEC. 3294. Any distilled spirits may, on payment of the tax thereon,
be withdrawn from warehouse on application to the collector of the
district in charge of such warehouse, on making a withdrawal entry in
duplicate and in the following form:

ENTRY FOR WITHDRAWAL OF DISTILLED SPIRITS FROM WAREHOUSE.

Tax paid.

Entry of distilled spirits to be withdrawn, on payment of the tax,
from——— warehouse, by———, deposited on the——— day of———,
anno Domini———, by———, in said warehouse.

And the entry shall specify the whole number of casks, with the

Withdrawal
from warehouse,
entry for.

20 July, 1868, c.
186, s. 24, v. 15, p.
136.

marks and serial numbers thereon, the number of gauge or wine gallons, and of proof-gallons, and the amount of the tax on the distilled spirits contained in them, all of which shall be verified by the oath of the person making such entry; and on payment of the tax the collector shall issue his order to the store-keeper in charge of the warehouse for the delivery. One of said entries shall be filed in the office of the collector, and the other transmitted by him to the Commissioner of Internal Revenue.

SEC. 3295. Whenever an order is received from the collector for the removal from any distillery warehouse of any cask of distilled spirits on which tax has been paid, the gauger by whom the same is gauged and inspected shall, in presence of the store-keeper and before such cask has left the warehouse, place upon the head thereof, in such manner as to cover no portion of any brand or mark prescribed by law already placed thereon, a stamp, on which shall be engraved the number of proof-gallons contained in said cask on which the tax has been paid, and which shall state the serial number of the cask, the name of the person by whom the tax was paid, and the person to whom and the place where it is to be delivered. Said stamp shall be signed by the collector of the district, the store-keeper, and gauger, and shall be as follows:

Tax-paid stamp, No. ———.

Received _____, 18____, from _____ tax on _____ gallons proof-spirit, cask No. _____, warehouse at _____, for delivery to _____, at _____.

Collector ——— District, State of _____.

Attest:

_____,
United States Store-keeper.

_____,
United States Gauger.

And at the time of affixing the tax-paid stamp the gauger shall, in the presence of the store-keeper, cut or burn upon each cask the name of the distiller, the district, the date of the payment of the tax, the number of proof-gallons, and the number of the stamp, which cutting or burning shall be erased when such cask is emptied, by cutting or burning a canceling-line across such marks or brands.

SEC. 3296. Whenever any person removes, or aids or abets in the removal of any distilled spirits on which the tax has not been paid, to a place other than the distillery warehouse provided by law, or conceals or aids in the concealment of any spirits so removed, or removes, or aids or abets in the removal of any distilled spirits from any distillery warehouse, or other warehouse for distilled spirits authorized by law, in any manner other than is provided by law, or conceals or aids in the concealment of any spirits so removed he shall be liable to a penalty of double the tax imposed on such distilled spirits so removed or concealed, and shall be fined not less than two hundred dollars nor more than five thousand dollars, and imprisoned not less than three months nor more than three years.

SEC. 3297. The Secretary of the Treasury is authorized to grant permits to any incorporated or chartered scientific institution or college of learning to withdraw alcohol in specified quantities from bond without payment of the internal-revenue tax on the same, or on the spirits from which the alcohol has been distilled, for the sole purpose of preserving specimens of anatomy, physiology, or natural history belonging to such institution, or for use in its chemical laboratory: *Provided*, That application for permits shall be made by the president or curator of such institution, who shall file a bond for double the amount of the tax on the alcohol to be withdrawn, with two good and sufficient sureties, to be

Gauging, stamping, and branding spirits removed from warehouse.

20 July, 1868, c. 186, s. 25, v. 15, p. 136.

Removal, concealment, &c., of spirits contrary to law; penalty.

20 July, 1868, c. 186, s. 36, v. 15, p. 140.

Alcohol withdrawn for scientific purposes.

21 Feb., 1873, c. 173, v. 17, p. 468.

approved by the Commissioner of Internal Revenue, and conditioned that the whole quantity of alcohol so withdrawn from bond shall be used for the purposes above specified, and for no other, and that the said president or curator shall comply with such other requirements and regulations as the Secretary of the Treasury may prescribe. And if any alcohol so obtained is used by any officer, as aforesaid, of such institution for any purposes other than that above specified, then the said officer or sureties shall pay the tax on the whole amount of alcohol withdrawn from bond, together with a like amount as a penalty in addition thereto.

Power of officers to detain packages on suspicion.

20 July, 1868, c. 186, s. 41, v. 15, p. 141.

SEC. 3298. It shall be lawful for any internal-revenue officer to detain any cask or package containing, or supposed to contain, distilled spirits, when he has reason to believe that the tax imposed by law upon the same has not been paid, or that the same is being removed in violation of law; and every such cask or package may be held by him at a safe place until it shall be determined whether the property so detained is liable by law to be proceeded against for forfeiture; but such summary detention shall not continue in any case longer than forty-eight hours without process of law or intervention of the officer to whom such detention is to be reported.

Forfeiture of spirits unlawfully removed from distillery.

20 July, 1868, c. 186, s. 36, v. 15, p. 140.—The Distilled Spirits, 11 Wall., 356; U. S. vs. Blaisdell, 9 Int. Rev. Rec., 82.

SEC. 3299. All distilled spirits found elsewhere than in a distillery or distilling warehouse, not having been removed therefrom according to law, shall be forfeited to the United States.

Store-keeper unlawfully removing or allowing to be removed, &c.

20 July, 1868, c. 186, s. 52, v. 15, p. 147.

SEC. 3300. Whenever any store-keeper or other person in the employment of the United States, having charge of a bonded warehouse, removes or allows to be removed therefrom any cask or other package, without an order or permit of the collector, or which has not been marked or stamped in the manner required by law; or removes or allows to be removed any part of the contents of any cask or package deposited therein, he shall be immediately dismissed from office or employment, and be fined not less than five hundred dollars nor more than two thousand dollars, and imprisoned not less than three months nor more than two years.

Store-keepers' warehouse-books and returns.

Ibid.
24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

SEC. 3301. Every store-keeper shall keep a warehouse-book, which shall at all times be open to the examination of any revenue officer, and shall enter therein an account of all articles deposited in the warehouse to which he is assigned, indicating in each case the date of deposit, by whom manufactured or produced, the number and description of the packages and contents, the quantities therein, the marks and serial numbers thereon, and by whom gauged, inspected, or weighed, and if distilled spirits, the number of gauge or wine gallons and of proof-gallons; and before delivering any article from the warehouse he shall enter in said book the date of the permit or order of the collector for the delivery of such articles, the number and description of the packages, the marks and serial numbers thereon, the date of delivery, to whom delivered, and for what purpose, which purpose shall be specified in the permit or order for delivery; and in case of delivery of any distilled spirits the number of gauge or wine gallons, and of proof-gallons, shall also be stated; and such further particulars shall be entered in the warehouse-books as may be prescribed or found necessary for the identification of the packages, to insure the correct delivery thereof and proper accountability therefor. And every store-keeper shall furnish daily to the collector of the district a return of all articles received in and delivered from the warehouse during the day preceding that on which the return is made, and mail at the same time a copy thereof to the Commissioner of Internal Revenue, and shall, on the first Monday of every month, make a report in duplicate of the number of packages of all articles, with the respective descriptions thereof, as above provided, which remained in the warehouse at the date of his last report, of all articles received therein and delivered therefrom during the preceding month, and of articles remaining therein

at the end of said month. He shall deliver one of these reports to the collector having control of the warehouse, to be recorded and filed in his office, and transmit one to the Commissioner of Internal Revenue, to be recorded and filed in his office.

SEC. 3302. The store-keeper assigned to any distillery warehouse shall, in addition to the duties required of him as store-keeper in charge of a warehouse, keep in a book to be provided for that purpose, and in the manner prescribed by the Commissioner of Internal Revenue, a daily account of all the meal and vegetable productions or other substances brought into said distillery, or on said premises, to be used for the purpose of producing spirits, from whom purchased, and when delivered at said distillery; of the kind and quantity of all fuel used, and from whom purchased; of all repairs made on said distillery, and by whom and when made; of the names and places of residence of all persons employed in or about the distillery; of the materials put into the mash-tub or otherwise used for the production of spirits; of the time when any fermenting-tub is emptied of ripe mash or beer, recording the same by the number painted on said tub; and of all spirits drawn off from the receiving-cistern, and the time when the same were drawn off.

SEC. 3303. Every person who makes or distills spirits, or owns any still, boiler, or other vessel used for the purpose of distilling spirits, or who has such still, boiler, or other vessel so used under his superintendence, either as agent or owner, or who uses any such still, boiler, or other vessel, shall from day to day make, or cause to be made, in a book or books, to be kept by him in such form as the Commissioner of Internal Revenue may prescribe, a true and exact entry of the kind of materials, and the quantity in pounds, bushels, or gallons purchased by him for the production of spirits, from whom and when purchased, and by what conveyance delivered at said distillery, the amount paid therefor, the kind and quantity of fuel purchased for use in the distillery, and from whom purchased, the amount paid for ice or water for use in the distillery, the repairs placed on said distillery or distilling-apparatus, the cost thereof, and by whom and when made, and of the name and residence of each person employed in or about the distillery, and in what capacity employed. And in another book he shall make like entry of the quantity of grain or other material used for the production of spirits, the time of day when any yeast or other composition is put into any mash or beer for the purpose of exciting fermentation, the quantity of mash in each tub, designating the same by the number of the tub, the number of dry inches, that is to say, the number of inches between the top of each tub and the surface of the mash or beer therein at the time of yeasting, the gravity and temperature of the beer at the time of yeasting, and on every day thereafter its quantity, gravity, and temperature at the hour of twelve meridian; also, of the time when any fermenting-tub is emptied of ripe mash or beer, the number of gallons of spirits distilled, the number of gallons placed in the warehouse, and the proof thereof, the number of gallons sold or removed, with the proof thereof, and the name, place of business, and residence of the person to whom sold.

SEC. 3304. The books of every distiller hereinbefore required shall always be kept at the distillery and be always open to the inspection of any revenue officer, and, when filled up, shall be preserved by the distiller for a period of not less than two years thereafter, and whenever required shall be produced for the inspection of any revenue officer.

SEC. 3305. Whenever any false entry is made in, or any entry required to be made is omitted from, either of the said books mentioned in the two preceding sections, with intent to defraud or to conceal from the revenue officers any fact or particular required to be stated and entered in either of said books, or to mislead in reference thereto; or any distiller as aforesaid omits or refuses to provide either of said books, or cancels, obliterates, or destroys any part of either of such books, or any entry therein, with intent to defraud, or permits the same to be done, or

Store-keepers to have charge of distillery and keep account of materials used, &c.

Ibid., s. 21, p. 134.

Distillers' books, entries to be made.

Ibid., s. 19, p. 132.

Books to be open to inspection and preserved two years.

Ibid., s. 19, p. 133.

False entries, omitting to keep or produce books; penalty.

Ibid.

6 June, 1872, c. 315, s. 12, v. 17, p. 240.

such books, or either of them, are not produced when required by any revenue officer, the distillery, distilling-apparatus, and the lot or tract of land on which it stands, and all personal property on said premises used in the business there carried on, shall be forfeited to the United States. And every person who makes such false entry, or omits to make any entry hereinbefore required to be made, with the intent aforesaid, or who causes or procures the same to be done, or fraudulently cancels, obliterates, or destroys any part of said books, or any entry therein, or willfully fails to produce such books, or either of them, shall be fined not less than five hundred dollars, nor more than five thousand dollars, and imprisoned not less than six months, nor more than two years.

Using false weights or measures; penalty.

20 July, 1868, c. 186, s. 40, v. 15, p. 141.

Using unregistered materials; penalty.

Ibid.

Distillers' returns of production to collector.

Ibid., s. 19, p. 133.
6 June, 1872, c. 315, s. 12, v. 17, p. 240.

24 Dec., 1872, c. 13, s. 6, v. 17, p. 403.

Distillers' returns of the number of barrels distilled.

20 July, 1868, c. 186, s. 59, v. 15, p. 150.

6 June, 1872, c. 315, s. 13, v. 17, p. 244.

Monthly examination of distiller's return, &c.

6 June, 1872, c. 315, s. 13, v. 17, p. 243.

20 July, 1868, c. 186, s. 20, v. 15, p. 133.

10 April, 1869, c. 18, s. 1, v. 16, p. 42.

The Collector *vs.* Beggs, 17 Wall., 182; *Dandelest vs.* Smith, 18 Wall., 642; *U. S. vs. Nissley*, 1 Dill., 526.

SEC. 3306. Every person who knowingly uses any false weights or measures in ascertaining, weighing, or measuring the quantities of grain, meal, or vegetable materials, molasses, beer, or other substances to be used for distillation, shall be fined not less than five hundred dollars nor more than five thousand dollars, and imprisoned not less than one year nor more than three years. Any person who uses any molasses, beer, or other substance, whether fermented on the premises or elsewhere, for the purpose of producing spirits, before an account of the same is registered in the proper book provided for that purpose, shall forfeit and pay the sum of one thousand dollars for each offense so committed.

SEC. 3307. On the first day of each month, or within five days thereafter, every distiller shall render to the collector of the district an account in duplicate, taken from his books, stating the quantity and kind of materials used for the production of spirits each day, and the number of wine-gallons and of proof-gallons of spirits produced and placed in warehouse. And the distiller or the principal manager of the distillery shall make and subscribe the following oath, to be attached to said return: "I, _____, distiller (or principal manager, as the case may be) of the distillery at _____, do solemnly swear that, since the date of the last return of the business of said distillery, dated _____ day of _____ to _____ day of _____, both inclusive, there was produced in said distillery, and withdrawn and placed in warehouse, the number of wine-gallons and proof-gallons of spirits; and there were actually mashed and used in said distillery, and consumed in the production of spirits therein, the several quantities of grain, sugar, molasses, and other materials respectively hereinbefore specified, and no more." One of the said duplicate returns shall be transmitted by the collector to the Commissioner of Internal Revenue.

SEC. 3308. Every distiller shall make a return of the number of barrels of spirits distilled by him, counting forty gallons of proof-spirits to the barrel, whenever such return is demanded by the collector of the district.

SEC. 3309. On the receipt of the distiller's return in each month, the Commissioner of Internal Revenue shall inquire and determine whether the distiller has accounted for all the grain or molasses used, and all the spirits produced by him in the preceding month. If he is satisfied that the distiller has reported all the spirits produced by him, and the quantity so reported is found to be less than eighty per centum of the producing-capacity of the distillery as estimated according to law, he shall make an assessment for such deficiency at the rate of seventy cents for every proof-gallon. In determining the quantity of grain used, fifty-six pounds shall be accounted as a bushel; and if the Commissioner finds that the distiller has used any grain or molasses in excess of the capacity of his distillery as estimated according to law, he shall make an assessment against the distiller at the rate of seventy cents for every proof-gallon of spirits that should have been produced from the grain or molasses so used in excess, which assessment shall be made whether the quantity of spirits reported is equal to or exceeds eighty per centum of the producing-capacity of the distillery. If the Commissioner finds that the distiller has not accounted for all the spirits produced by him, he

shall, from all the evidence he can obtain, determine what quantity of spirits was actually produced by such distiller, and an assessment shall be made for the difference between the quantity reported and the quantity shown to have been actually produced, at the rate of seventy cents for every proof-gallon: *Provided*, That the actual product shall be assumed to be in no case less than eighty per centum of the producing-capacity of the distillery as estimated according to law. All assessments made under this section shall be a lien on all distilled spirits on the distillery premises, the distillery used for distilling the same, the stills, vessels, fixtures, and tools therein, the tract of land whereon the said distillery is located, and any building thereon, from the time such assessment is made until the same shall have been paid.

SEC. 3310. Every distiller, at the hour of twelve meridian, on the third day after that on which his bond is approved, shall be deemed to have commenced, and thereafter to be continuously engaged in, the production of distilled spirits in his distillery, except in the intervals when he shall suspend work as hereinafter provided. Any distiller desiring to suspend work in his distillery may give notice in writing to the collector of the district, stating when he will suspend work; and on the day mentioned in said notice said collector or one of his deputies shall, at the expense of the distiller, proceed to fasten securely the door of every furnace of every still or boiler in said distillery, by locks and otherwise, and shall adopt such other means as the Commissioner of Internal Revenue may prescribe to prevent the lighting of any fire in such furnace or under such stills or boilers. The locks and seals, and other materials required for such purpose, shall be furnished to the collector by the Commissioner of Internal Revenue, to be duly accounted for by said collector. Such notice by any distiller, and the action taken by the collector in pursuance thereof, shall be immediately transmitted to the Commissioner of Internal Revenue. No distiller, after having given such notice, shall, after the time stated therein, carry on the business of a distiller on said premises until he gives another notice in writing to said collector, stating the time when he will resume work; and at the time so stated for resuming work the collector or one of his deputies shall attend at the distillery to remove said locks and other fastenings; and thereupon, and not before, work may be resumed in said distillery, which fact shall be immediately reported to the collector of the district, and by him transmitted to the Commissioner of Internal Revenue. Every distiller who, after the time fixed in said notice declaring his intention to suspend work, carries on the business of a distiller on said premises, or has mash, wort, or beer in his distillery, or on any premises connected therewith, or has in his possession or under his control any mash, wort, or beer, with intent to distill the same on said premises, shall incur the forfeitures and be subject to the same punishment as provided for persons who carry on the business of a distiller without having given the bonds required by law. But nothing in this section shall be held to apply to suspensions caused by unavoidable accident; and the Commissioner of Internal Revenue shall prescribe regulations to govern such cases of involuntary suspension.

SEC. 3311. Whenever any distiller desires to reduce the producing-capacity of his distillery, he shall give notice of such intention, in writing, to the collector, stating the quantity of spirits which he desires thereafter to manufacture or produce every twenty-four hours, and thereupon said collector shall proceed, at the expense of the distiller, to reduce and limit the producing-capacity of the distillery to the quantity stated in said notice, by placing upon a sufficient number of the fermenting-tubs close-fitting covers, which shall be securely fastened by nails, seals, and otherwise, and in such manner as to prevent the use of such tubs without removing said covers or breaking said seals, and shall adopt such other precautions as may be prescribed by the Commissioner of Internal Revenue to reduce the capacity of said distillery. And every person who breaks, injures, or in any manner tampers with

When distilling deemed commenced; suspension of work; penalties.

20 July, 1868, c. 186, s. 22, v. 15, p. 134.

6 June, 1872, c. 315, s. 12, v. 17, p. 240.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Reduction of capacity; penalty.

20 July, 1868, c. 186, s. 30, v. 15, p. 138.

24 Dec., 1872, c. 13, v. 17, p. 401.

any lock, seal, or other fastening applied to any furnace, still, or fermenting-tub, or other vessel, in pursuance of the provisions of law, or who opens or attempts to open any door, tub, or other vessel, which is locked or sealed, or otherwise closed or fastened as herein provided, or who uses any furnace, still, or fermenting-tub, or other vessel, which is so locked, sealed, or fastened, shall be deemed guilty of a felony, and shall be fined not less than one thousand dollars nor more than five thousand dollars, and imprisoned for not less than one year nor more than three years.

Stamps, how prepared and issued.

20 July, 1868, c. 186, s. 26, v. 15, p. 137.

24 Dec., 1872, c. 13, s. 3, v. 17, p. 402.

SEC. 3312. All stamps required for distilled spirits shall be engraved in their several kinds in book-form, and shall be issued by the Commissioner of Internal Revenue to any collector, upon his requisition, in such numbers as may be necessary in the several districts. Each stamp shall have an engraved stub attached thereto, with a number thereon corresponding with an engraved number on the stamp, and the stub shall not be removed from the book. And there shall be entered on each stub such memoranda of the contents of its corresponding stamp as shall be necessary to preserve a perfect record of the use of such stamp when detached.

Stamps, form of, how used.

20 July, 1868, c. 186, s. 27, v. 15, p. 137.

6 June, 1872, c. 315, s. 12, v. 17, p. 240.

SEC. 3313. On every stamp for the payment of tax on distilled spirits there shall be engraved words and figures representing a decimal number of gallons, and on the stub corresponding to such stamp there shall be engraved a similar number of gallons, and between the stamp and the stub, and connecting them, shall be engraved nine coupons, which, beginning next to the stamp, shall indicate in succession the several numbers of gallons between the number named in the stamp and the decimal number next above. And whenever any collector receives the tax on the distilled spirits contained in any cask, he shall detach from the book a stamp representing the denominate quantity nearest to the quantity of proof-spirits in such cask, as shown by the gauger's return, with such number of the coupons attached thereto as shall be necessary to make up the whole number of proof-gallons in said cask; and any fractional part of a gallon amounting to one-half gallon or over in addition to the number of full gallons shall be regarded as a full gallon, and any fractional part of a gallon less than one-half gallon in any cask or package shall be exempt from tax. All unused coupons shall remain attached to the marginal stub, and no coupon shall have any value or significance when detached from the stamp and stub. And the tax-paid stamps with the coupons may denote such number of gallons, not less than twenty, as the Commissioner of Internal Revenue may deem advisable.

Accountability for stamp-books.

20 July, 1868, c. 186, s. 28, v. 15, p. 138.

6 June, 1872, c. 315, s. 12, v. 17, p. 240.

24 Dec., 1872, c. 13, s. 6, v. 17, p. 403.

SEC. 3314. The books of tax-paid stamps issued to any collector shall be charged to his account at the full value of the tax on the number of gallons represented on the stamps and coupons contained in said books; and every collector shall make a monthly return to the Commissioner of Internal Revenue of all tax-paid stamps issued by him to be affixed to any cask or package containing distilled spirits on which the tax has been paid, and account for the amount of the tax collected; and when the said collector returns to the Commissioner of Internal Revenue any book of marginal stubs, which it shall be his duty to do as soon as all the stamps contained in the book when issued to him have been used, and accounts for the tax on the number of gallons represented on the stamps and coupons that were contained in said book, there shall be allowed to the collector a commission of one-half of one per centum on the amount of such tax, in addition to any other commission by law allowed: *Provided*, That the total net compensation of collectors, as fixed by this Title, shall not be thereby increased. All stamps relating to distilled spirits, other than the tax-paid stamps, shall be charged to collectors as representing the value of ten cents for each stamp; and the books containing such stamps may be intrusted by any collector to the gauger of the district, who shall make a daily report to the collector of all such stamps used by him and for whom used, and from

these reports the Commissioner of Internal Revenue shall assess the person for whom they were used; and the collector shall thereupon collect the amount due for such stamps, at the rate of ten cents for each stamp issued during the month; and when all the stamps contained in any such book have been issued, the gauger of the district shall return the book to the collector, with all the marginal stubs therein.

SEC. 3315. The Commissioner of Internal Revenue may, under regulations prescribed by him with the approval of the Secretary of the Treasury, issue tax-paid stamps for restamping distilled spirits upon which the tax shall have been paid, but from which the stamps have been lost or destroyed by unavoidable accident.

SEC. 3316. Whenever any revenue officer affixes or cancels, or causes or permits to be affixed or canceled, any stamp relating to distilled spirits provided for by law, in any other manner or in any other place, or issues the same to any other person than as provided by law, or by regulation made in pursuance thereof, or knowingly affixes, or permits to be affixed, any such stamp to any cask or package of spirits of which the whole or any part has been distilled, rectified, compounded, removed, or sold, in violation of law, or which has in any manner escaped payment of tax due thereon, he shall, for every such offense, be fined not less than five hundred dollars nor more than three thousand dollars, and be imprisoned for not less than six months nor more than three years.

SEC. 3317. Every rectifier of distilled spirits shall make a return of the quantity and proof of all the spirits purchased, and of the number, of barrels of spirits, counting forty gallons of proof-spirits to the barrel, rectified, purified, or refined by him, whenever such return is demanded by the collector of his district.

6 June, 1872, c. 315, s. 13, v. 17, p. 244. 30 June, 1864, c. 173, s. 17, v. 13, p. 228. 24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

SEC. 3318. Every rectifier and wholesale liquor-dealer shall provide a book, to be prepared and kept in such form as may be prescribed by the Commissioner of Internal Revenue, and shall, on the same day on which he receives any foreign or domestic spirits, and before he draws off any part thereof, or adds water or anything thereto, or in any respect alters the same, enter in such book, and in the proper columns respectively prepared for the purpose, the date when, the name of the person or firm from whom, and the place whence the spirits were received, by whom distilled, rectified, or compounded, and when and by whom inspected, and, if in the original package, the serial number of each package, the number of wine-gallons and proof-gallons, the kind of spirit, and the number and kind of adhesive stamps thereon. And every such rectifier and wholesale dealer shall, at the time of sending out of his stock or possession any spirits, and before the same are removed from his premises, enter in like manner in the said book the day when and the name and place of business of the person or firm to whom such spirits are to be sent, the quantity and kind or quality of such spirits, the number of gallons and fractions of a gallon at proof, and, if in the original packages in which they were received, the name of the distiller and the serial number of the package. Every such book shall be at all times kept in some public or open place on the premises of such rectifier or wholesale dealer for inspection, and any revenue officer may examine it and take an abstract therefrom; and when it has been filled up as aforesaid, it shall be preserved by such rectifier or wholesale liquor-dealer for a period not less than two years; and during such time it shall be produced by him to every revenue officer demanding it. And whenever any rectifier or wholesale liquor-dealer refuses or neglects to provide such book, or to make entries therein as aforesaid, or cancels, alters, obliterates, or destroys any part of such book, or any entry therein, or makes any false entry therein, or hinders or obstructs any revenue officer from examining such book, or making any entry therein, or taking

Restamping tax-paid spirits when stamps lost or destroyed.

6 June, 1872, c. 315, s. 15, v. 17, p. 245.

Officer using, or issuing, or permitting use of stamps, contrary to law; penalty.

20 July, 1868, c. 186, s. 29, v. 15, p. 138.

Rectifier's returns.

20 July, 1868, c. 186, s. 59, v. 15, p. 151.

13, p. 228. 24 Dec.,

Books to be kept by rectifiers and wholesale dealers; penalty.

20 July, 1868, c. 186, s. 45, v. 15, p. 143.

A Quantity of Distilled Spirits, 3 Ben., 552.

any abstract therefrom; or whenever such book is not preserved or is not produced by any rectifier or wholesale liquor-dealer as hereinbefore directed, he shall pay a penalty of one hundred dollars, and shall be fined not less than one hundred dollars nor more than five thousand dollars, and imprisoned not less than three months nor more than three years.

Purchase of quantities greater than twenty gallons from one person, &c.

Ibid., s. 46, p. 144.
14 July, 1870, c. 255, s. 1, v. 16, p. 256.

Gauging, inspection, and stamping of rectified spirits.

20 July, 1868, c. 186, ss. 25, 57, v. 15, pp. 136, 149.
6 June, 1872, c. 315, s. 12, v. 17, p. 243.

SEC. 3319. It shall not be lawful for any rectifier of distilled spirits, or wholesale or retail liquor-dealer, to purchase or receive any distilled spirits in quantities greater than twenty gallons from any person other than an authorized rectifier of distilled spirits, distiller, or wholesale liquor-dealer. Every person who violates this section shall forfeit and pay one thousand dollars: *Provided*, That this provision shall not be held to apply to judicial sales, or to sales at public auction made by an auctioneer.

SEC. 3320. Whenever any cask or package of rectified spirits containing five wine-gallons or more is filled for shipment, sale, or delivery, on the premises of any rectifier who has paid the special tax required by law, it shall be the duty of the United States gauger to gauge and inspect the same, and to place thereon an engraved stamp, signed by the collector of the district and the said gauger, which shall state the date when affixed, and the number of proof-gallons, and shall be as follows:

Stamp for rectified spirits, No. —.

Issued by ———, collector ——— district, State of ———,
———, rectifier of spirits in the ——— district, State of ———,
———, 18—. ——— proof-gallons.

———,
United States Gauger.

Gauging, inspecting, and stamping spirits on premises of wholesale dealer.

20 July, 1868, c. 186, ss. 25, 57, v. 15, pp. 137, 149.
6 June, 1872, c. 315, s. 12, v. 17, p. 243.

SEC. 3321. Whenever any cask or package of distilled spirits of not less than five wine-gallons is filled for shipment, sale, or delivery, on the premises of any wholesale liquor-dealer, it shall be the duty of a United States gauger to gauge and inspect the same, and place thereon an engraved stamp signed by the collector of the district and the said gauger, stating the name of the dealer, the date when affixed, and the number of proof-gallons; which stamp shall be as follows:

Wholesale liquor-dealer's stamp, No. —.

Issued by ———, collector ——— district, State of ———.
———, wholesale liquor-dealer, of ———, ——— district, State of ———, 18—. ——— proof-gallons.

United States Gauger, ——— District, State of ———.

Filling blanks and affixing and protecting stamps.

20 July, 1868, c. 186, s. 25, v. 15, p. 137.

SEC. 3322. All blanks in any of the forms prescribed in the preceding sections shall be duly filled in accordance with the facts in each case. And the stamps therein designated shall in every case be affixed to a smooth surface of the cask or other package, which surface shall not have been previously painted or covered with any substance, and so as to fasten the same securely to the cask or package, and shall be duly canceled, and shall then be immediately covered with a coating of transparent varnish or other substance, so as to protect them from removal or damage by exposure; and such affixing, cancellation, and covering shall be done in such manner as the Commissioner of Internal Revenue may by regulation prescribe.

Spirits drawn into new packages to be gauged and branded. Forfeiture.

Ibid., s. 47, p. 144.

SEC. 3323. All distilled spirits drawn from any cask or package and placed in any other cask or package containing not less than ten gallons, and intended for sale, shall be again inspected and gauged; and the cask or package into which it is so transferred shall be marked or branded, and such marking or branding shall distinctly indicate the name of the gauger, the time and place of inspection, the proof of the spirits, the par-

ticular name of such spirits as known to the trade, and the name and place of business of the dealer or rectifier, as the case may be; and, except where such spirits have been rectified or compounded, the name also of the distiller and the distillery where such spirits were produced, and the serial number of the original cask or package; and where such spirits have been rectified, the name of the rectifier, and the serial number of the rectifier's stamp; and the absence of such mark or brand shall be held as sufficient cause and evidence for the forfeiture of such unmarked packages of spirits.

SEC. 3324. Every person who empties or draws off, or causes to be emptied or drawn off, any distilled spirits from a cask or package bearing any mark, brand, or stamp required by law, shall, at the time of emptying such cask or package, efface and obliterate said mark, stamp, or brand. Every such cask or package from which said mark, brand, or stamp is not effaced and obliterated as herein required, shall be forfeited to the United States, and may be seized by any officer of internal revenue wherever found. And every railroad company or other transportation company, or person who receives or transports, or has in possession with intent to transport, or with intent to cause or procure to be transported, any such empty cask or package, or any part thereof, having thereon any brand, mark, or stamp, required by law to be placed on any cask or package containing distilled spirits, shall forfeit three hundred dollars for each such cask or package, or any part thereof, so received or transported, or had in possession with the intent aforesaid; and every boat, railroad-car, cart, dray, wagon, or other vehicle, and all horses and other animals used in carrying or transporting the same, shall be forfeited to the United States. Every person who fails to efface and obliterate said mark, stamp, or brand, at the time of emptying such cask or package, or who receives any such cask or package, or any part thereof, with the intent aforesaid, or who transports the same, or knowingly aids or assists therein, or who removes any stamp provided by law from any cask or package containing, or which had contained, distilled spirits, without defacing and destroying the same at the time of such removal, or who aids or assists therein, or who has in his possession any such stamp so removed as aforesaid, or has in his possession any canceled stamp, or any stamp which has been used, or which purports to have been used, upon any cask or package of distilled spirits, shall be deemed guilty of a felony, and shall be fined not less than five hundred dollars nor more than ten thousand dollars, and imprisoned not less than one year nor more than five years.

SEC. 3325. Whenever any person knowingly purchases or sells, with inspection-marks thereon, any cask or package, after the same has been used for distilled spirits, he shall forfeit and pay the sum of two hundred dollars for every such cask so purchased or sold.

SEC. 3326. Whenever any person changes or alters any stamp, mark, or brand on any cask or package containing distilled spirits, or puts into any cask or package spirits of greater strength than is indicated by the inspection-mark thereon, or fraudulently uses any cask or package having any inspection-mark or stamp thereon, for the purpose of selling other spirits, or spirits of quantity or quality different from the spirits previously inspected therein, he shall forfeit and pay the sum of two hundred dollars for every cask or package on which the stamp or mark is so changed or altered, or which is so fraudulently used, and shall be fined for each such offense not less than one hundred dollars nor more than one thousand dollars, and imprisoned not less than one month nor more than one year.

SEC. 3327. No person shall remove any distilled spirits at any other time than after sun-rising and before sun-setting in any cask or package containing more than ten gallons from any premises or building in which the same may have been distilled, redistilled, rectified, compounded, manufactured, or stored; and every person who violates this provision

6 June, 1872, c. 315, s. 12, v. 17, p. 240.

Stamps and brands to be effaced from empty casks.

20 July, 1868, c. 186, s. 43, v. 15, p. 142.

Penalties for omitting to efface, and for transportation in violation of law.

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Buying or selling spirit casks having inspection-marks.

13 July, 1866, c. 184, s. 38, v. 14, p. 160.

Changing stamps, shifting spirits, &c.; penalty.

20 July, 1868, c. 186, s. 39, v. 15, p. 141.

Removal within certain hours from distillery or rectifier's premises.

Ibid., s. 37, p. 141.

shall be liable to a penalty of one hundred dollars for each cask, barrel, or package of spirits so removed; and said spirits, together with any vessel containing the same, and any horse, cart, boat, or other conveyance used in the removal thereof, shall be forfeited to the United States.

Tax on imitations of wines; how paid.

6 June, 1872, c. 315, s. 12, v. 17, p. 240.
20 July, 1868, c. 186, s. 48, v. 15, p. 144.

SEC. 3328. On all wines, liquors, or compounds known or denominated as wine, and made in imitation of sparkling wine or champagne, but not made from grapes grown in the United States, and on all liquors, not made from grapes, currants, rhubarb, or berries grown in the United States, but produced by being rectified or mixed with distilled spirits or by the infusion of any matter in spirits, to be sold as wine, or as a substitute for wine, there shall be levied and collected a tax of ten cents per bottle or package containing not more than one pint, or of twenty cents per bottle or package containing more than one pint and not more than one quart, and at the same rate for any larger quantity of such merchandise, however the same may be put up, or whatever may be the package. The Commissioner of Internal Revenue shall cause to be prepared suitable and special stamps denoting the tax herein imposed, to be affixed to each bottle or package containing such merchandise, by the person manufacturing, compounding, or putting up the same, before removal from the place of manufacture, compounding, or putting up; and said stamps shall be affixed and canceled in such manner as the Commissioner may prescribe; and the absence of such stamp from any bottle or package containing such merchandise shall be prima-facie evidence that the tax thereon has not been paid, and such merchandise shall be forfeited to the United States. Any person counterfeiting, altering, or reusing said stamps shall be subject to the same penalties as are imposed for the same offenses in relation to proprietary stamps.

Drawback on distilled spirits.

6 June, 1872, c. 315, s. 12, v. 17, p. 241.
20 July, 1868, c. 186, s. 54, v. 15, p. 147.

SEC. 3329. Distilled spirits upon which all taxes have been paid may be exported, with the privilege of drawback, in quantities of not less than one thousand gallons, and in distillers' original casks, containing not less than twenty wine-gallons each, on application of the owner thereof to the collector of customs at any port of entry, and under such rules and regulations, and after making such entry as may be prescribed by law and by the Secretary of the Treasury. The entry for such exportation shall be in triplicate, and shall contain the name of the person applying to export, the name of the distiller, the name of the district in which the spirits were distilled, the name of the vessel by which, and the name of the port to which, they are to be exported; and the form of the entry shall be as follows:

Export entry of distilled spirits entitled to drawback.

Entry of spirits distilled by _____, in _____ district, State of _____, to be exported by _____, in the _____, whereof _____ is master, bound to _____.

And the entry shall specify the whole number of casks or packages, the marks and serial numbers thereon, the quality or kind of spirits as known in commerce, the number of gauge or wine gallons and of proof-gallons; and the amount of the tax on such spirits shall be verified by the oath of the owner of the spirits, and that the tax has been paid thereon, and that they are truly intended to be exported to the port of _____, and not to be reloaded within the limits of the United States. One bill of lading, duly signed by the master of the vessel, shall be deposited with said collector, to be filed at his office with the entry retained by him. One of said entries shall be, when the shipment is completed, transmitted to the Secretary of the Treasury, to be recorded and filed in his office. The lading on board said vessel shall be only after the receipt of an order or permit signed by the collector of customs and directed to a customs gauger, and after each cask or package shall have been distinctly marked or branded by said gauger as follows: "For export from U. S. A.," and the tax-paid stamps thereon obliterated.

The casks or packages shall be inspected and gauged alongside of or on the vessel by the gauger designated by said collector, under such rules and regulations as the Secretary of the Treasury may prescribe; and on application of the said collector it shall be the duty of the surveyor of the port to designate and direct one of the custom-house inspectors to superintend such shipment. And the gauger aforesaid shall make a full return of such inspection and gauging in such form as may be prescribed by the Secretary of the Treasury, showing by whom each cask of such spirits was distilled, the serial number of the cask, and of the tax-paid stamp attached thereto, the proof and quantity of such spirits as per the original gauge-mark on each cask, and the quantity in proof and wine gallons as per the gauge then made by him. And said gauger shall certify on such return that the shipment has been made, in his presence, on board the vessel named in the entry for export, which return shall be indorsed by said custom-house inspector certifying that the casks or packages have been shipped under his supervision on board said vessel, and the tax-paid stamps obliterated; and the said inspector shall make a similar certificate to the surveyor of the port, indorsed on or to be attached to the entry in possession of the custom-house. A drawback shall be allowed upon distilled spirits on which the tax has been paid and exported to foreign countries, under the provisions of this act, when exported as herein provided for. The drawback allowed shall include the taxes levied and paid upon the distilled spirits exported, at the rate of seventy cents per proof-gallon, as per last gauge of said spirits prior to exportation, and shall be due and payable only after the proper entries have been made and filed, and all other conditions complied with as hereinbefore required, and on filing with the Secretary of the Treasury the proper claim, accompanied by the certificate of the collector of customs at the port of entry where the spirits are entered for export, that such spirits have been received into his custody and the tax-paid stamps thereon obliterated; and the Secretary of the Treasury shall prescribe such rules and regulations in relation thereto as may be necessary to secure the Treasury of the United States against frauds: *Provided*, That the drawback on spirits distilled prior to August one, eighteen hundred and seventy-two, shall not exceed sixty cents per proof-gallon. [See "Drawback," Title xxxiv, Chapter 9.]

SEC. 3330. Distilled spirits may be withdrawn from distillery bonded warehouses, at the instance of the owner of the spirits, for exportation in the original casks, in quantities of not less than one thousand gallons, without the payment of tax, under such regulations, and after making such entries and executing and filing with the collector of the district from which the removal is to be made such bonds and bills of lading, and giving such other additional security as may be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury: *Provided*, That bonds given under this section shall be canceled under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That the bonds required to be given for the exportation of distilled spirits shall be canceled upon the presentation of satisfactory proof and certificates that said distilled spirits have been landed at the port of destination named in the bill of lading, or upon satisfactory proof that after shipment the same were lost at sea without fault or neglect of the owner or shipper thereof.

All distilled spirits intended for export, as aforesaid, before being removed from the distillery warehouse, shall be marked as the Commissioner of Internal Revenue may prescribe, and shall have affixed to each cask an engraved stamp indicative of such intention, to be provided and furnished by the several collectors as in the case of other stamps, and to be charged to them and accounted for in the same manner, and for the expense attending the providing and affixing such stamps twenty-five cents for each package so stamped shall be paid to the collector on making the entry for such transportation. When the owner of the spirits shall have made the proper entries, filed the bonds, and otherwise

Exportation of distilled spirits withdrawn from bonded warehouses.

6 June, 1872, c. 315, s. 12, v. 17, p. 242.

20 July, 1868, c. 186, s. 55, v. 15, p. 148.

3 March, 1873, c. 232, s. 5, v. 17, pp. 559-560.

complied with all the requirements of the law and regulations as herein provided, the collector shall issue to him a permit for the removal and transportation of said spirits to the collector of the port from which the same are to be exported, accurately describing the spirits to be shipped, the amount of tax thereon, the State and district from which the same is to be shipped, the name of the distiller by whom distilled, the port to which the same are to be transported, the name of the collector of the port to whom the spirits are to be consigned, and the routes over which they are to be sent to the port of shipment. Such shipment shall be made over bonded routes whenever practicable. The collector of the port shall receive such spirits, and permit the exportation thereof, under the same rules and regulations as are prescribed for the exportation of spirits upon which the tax has been paid. And every person who fraudulently claims, or seeks, or obtains an allowance of drawback on any distilled spirits, or fraudulently claims any greater allowance or drawback than the tax actually paid thereon, shall forfeit and pay to the Government of the United States triple the amount wrongfully and fraudulently sought to be obtained, and shall be imprisoned not more than ten years; and every owner, agent, or master of any vessel or other person who knowingly aids or abets in the fraudulent collection or fraudulent attempts to collect any drawback upon, or knowingly aids or permits any fraudulent change in the spirits so shipped, shall be fined not exceeding five thousand dollars and imprisoned not more than one year, and the ship or vessel on board of which such shipment was made or pretended to be made shall be forfeited to the United States, whether a conviction of the master or owner be had or otherwise, and proceedings may be had in admiralty by libel for such forfeiture.

Every person who intentionally relands within the jurisdiction of the United States any distilled spirits which have been shipped for exportation under the provisions of this act, or who receives such relanded distilled spirits, and every person who aids or abets in such relanding or receiving of such spirits, shall be fined not exceeding five thousand dollars, and imprisoned not more than three years; and all distilled spirits so relanded, together with the vessel from which the same were relanded within the jurisdiction of the United States, and all boats, vehicles, horses, or other animals used in relanding and removing such distilled spirits, shall be forfeited to the United States.

Release of distillery before judgment, in what cases.

20 July, 1868, c. 186, s. 42, v. 15, p. 142.

SEC. 3331. No distillery nor distilling-apparatus seized for any violation of law shall be released to the claimant or to any intervening party before judgment, except in case of a distillery for which bond has been given and which has a registered producing capacity of one hundred and fifty proof-gallons or more per day, on showing, by sufficient affidavits, that there are hogs or other live stock, not less than fifty head in number, depending for their feed on the products of said distillery, which would suffer injury if the business of such distillery is stopped. Such distillery, in that case, may be released to the claimant, or to any other intervening party, at the discretion of the court, on a bond to be given and approved in open court, with two or more sureties, for the full appraised value of all the property seized, to be ascertained by three competent appraisers designated and appointed by the court.

Distillery to be destroyed in certain cases of forfeiture.

Ibid.
6 June, 1872, c. 315, s. 12, v. 17, p. 240.

SEC. 3332. When a judgment of forfeiture, in any case of seizure, is recovered against any distillery used or fit for use in the production of distilled spirits, because no bond has been given, or against any distillery used or fit for use in the production of spirits, having a registered producing capacity of less than one hundred and fifty gallons a day, for any violation of law, of whatever nature, every still, doubler, worm, worm-tub, mash-tub, and fermenting-tub therein shall be so destroyed as to prevent the use of the same or of any part thereof for the purpose of distilling; and the materials shall be sold as in case of other forfeited property.

When burden of proof is on claimant of spirits seized.

SEC. 3333. Whenever seizure is made of any distilled spirits found elsewhere than in a distillery or distillery warehouse, or other warehouse for distilled spirits authorized by law, or than in the store or place of

business of a rectifier, or of a wholesale liquor-dealer, or than in transit from any one of said places; or of any distilled spirits found in any one of the places aforesaid, or in transit therefrom, which have not been received into or sent out therefrom in conformity to law, or in regard to which any of the entries required by law to be made in the books of the owner of such spirits, or of the store-keeper, wholesale dealer, or rectifier, have not been made at the time or in the manner required, or in respect to which the owner or person having possession, control, or charge of said spirits, has omitted to do any act required to be done, or has done or committed any act prohibited in regard to said spirits, the burden of proof shall be upon the claimant of said spirits to show that no fraud has been committed, and that all the requirements of the law in relation to the payment of the tax have been complied with.

SEC. 3334. All distilled spirits forfeited to the United States, sold by order of court, or under process of distraint, shall be sold subject to tax; and the purchaser shall immediately, and before he takes possession of said spirits, pay the tax thereon. And any distilled spirits heretofore condemned, and now in the possession of the United States, shall be sold as herein provided. If any tax-paid stamps are affixed to any cask or package so condemned, such stamps shall be obliterated and destroyed by the collector or marshal after forfeiture, and before such sale.

20 July, 1868, c. 186, s. 36, v. 15, p. 140.

U. S. vs. Distilled Spirits, 5 Blatch., 407.

U. S. vs. Distilled Spirits, 5 id., 542.

Spirits sold under judicial process subject to tax.

Ibid., s. 58, p. 150.

CHAPTER FIVE.

FERMENTED LIQUORS.

Sec.	Sec.
3335. Brewer's notice of business.	3346. Making, selling, or using false stamps or dies; penalty.
3336. Brewer's bond.	3347. Sour malt liquors, removable in peculiar packages, without stamp.
3337. Brewer's books and monthly statement.	3348. Brewers selling at retail at brewery, to affix stamps and keep account.
3338. Monthly verification of entries in books.	3349. Name of manufacturer, &c., to be marked on packages.
3339. Tax on fermented liquors. Fractional parts of a barrel, how estimated.	Penalty for removing marks, &c.
3340. Evading tax, making or procuring false entries, &c.; penalty.	3350. Permit to carry on business at another place on account of accident.
3341. Stamps, how supplied and sold.	3351. Unfermented worts sold to other brewers, how taxed.
3342. Stamps, how procured, affixed, and canceled.	3352. Possession of fermented liquor after removal from warehouse when tax not paid, cause of forfeiture. Absence of stamps to be notice and evidence.
Penalty for fraud or neglect.	3353. Removal or defacement of stamps by others than the owner; penalty.
3343. Selling, removing, or buying fermented liquor in packages without stamp, or false stamp, or with twice-used stamp; penalty.	3354. Withdrawing liquor, from unstamped packages for bottling, or bottling on brewing premises; penalty.
3344. Drawing fermented liquor from package without stamp, or with false stamp, or without defacing stamp; penalty.	
3345. Removal for storage without stamps.	

SEC. 3335. Every brewer shall, before commencing or continuing business, file with the collector, or proper deputy collector, of the district in which he designs to carry it on a notice in writing, stating the name of the person, company, corporation, or firm, the names of the members of any such company or firm, the places of residence of such persons, a description of the premises on which the brewery is situated, and of his or their title thereto, and the name of the owner thereof.

SEC. 3336. Every brewer, on filing notice, as aforesaid, of his intention to commence or continue business, and on the first day of May in each succeeding year thereafter, shall execute a bond to the United

Brewer's notice of business.

6 June, 1872, c. 315, s. 16, v. 17, p. 245.

13 July, 1866, c. 184, s. 46, v. 14, p. 163.

Brewer's bond.

13 July, 1866, c. 184, s. 47, v. 14, p. 164.

6 June, 1872, c. 315, s. 17, v. 17, p. 245.

States, to be approved by the collector of the district, in a sum equal to twice the amount of the tax which, in the opinion of the collector, said brewer will be liable to pay during any one month, and conditioned that he shall pay, or cause to be paid, as herein provided, the tax required by law on all beer, lager-beer, ale, porter, and other fermented liquors made by or for him before the same is sold or removed for consumption or sale, except as hereinafter provided; and that he shall keep, or cause to be kept, a book, in the manner and for the purposes hereinafter specified, which shall be open to inspection by the proper officers, as by law required; and that he shall in all respects faithfully comply, without fraud or evasion, with all requirements of law relating to the manufacture and sale of any malt liquors aforesaid.

Brewer's books and monthly statement.

6 June, 1872, c. 315, s. 19, v. 17, p. 245.

13 July, 1866, c. 184, s. 49, v. 14, p. 164.

SEC. 3337. Every person who owns or occupies any brewery, or premises used or intended to be used for the purpose of brewing or making such fermented liquors, or who has such premises under his control or superintendence, as agent for the owner or occupant, or has in his possession or custody any brewing materials, utensils, or apparatus, used or intended to be used on said premises in the manufacture of beer, lager-beer, ale, porter, or other similar fermented liquors, either as owner, agent, or superintendent, shall, from day to day, enter, or cause to be entered, in a book to be kept by him for that purpose, the kind of such malt liquors, the estimated quantity produced in barrels, and the actual quantity sold or removed for consumption or sale in barrels or fractional parts of barrels. He shall also, from day to day, enter, or cause to be entered, in a separate book to be kept by him for that purpose, an account of all materials by him purchased for the purpose of producing such fermented liquors, including grain and malt. And he shall render to the collector, or the proper deputy collector, on or before the tenth day of each month, a true statement, in writing, in duplicate, taken from his books, of the estimated quantity in barrels of such malt liquors brewed, and the actual quantity sold or removed for consumption or sale during the preceding month; and shall verify, or cause to be verified, the said statement, and the facts therein set forth, by oath, to be taken before the collector of the district, or proper deputy collector, according to the form required by law. Said books shall be open at all times for the inspection of any collector, deputy collector, inspector, or revenue agent, who may take memorandums and transcripts therefrom.

Monthly verification of entries in books.

6 June, 1872, c. 315, s. 20, v. 17, p. 246.

13 July, 1866, c. 184, s. 50, v. 14, p. 165.

SEC. 3338. The entries made in such books shall, on or before the tenth day of each month, be verified by the oath of the person by whom they are made. The said oath shall be written in the book at the end of such entries, and be certified by the officer administering the same, and shall be in form as follows: "I do swear (or affirm) that the foregoing entries were made by me; and that they state truly, according to the best of my knowledge and belief, the estimated quantity of the whole amount of such malt liquors brewed, and the actual quantity sold, and the actual quantity removed, from the brewery owned by _____, in the county of _____; and, further, that I have no knowledge of any matter or thing required by law to be stated in said entries which has been omitted therefrom." And the owner, agent, or superintendent aforesaid shall also, in case the original entries made in his book were not made by himself, subjoin thereto the following oath, to be taken in manner as aforesaid: "I do swear (or affirm) that, to the best of my knowledge and belief, the foregoing entries fully set forth all the matters therein required by law; and that the same are just and true; and that I have taken all the means in my power to make them so."

Tax on fermented liquors.

6 June, 1872, c. 315, s. 18, v. 17, p. 245.

13 July, 1866, c. 184, s. 48, v. 14, p. 164.

SEC. 3339. There shall be paid on all beer, lager-beer, ale, porter, and other similar fermented liquors, brewed or manufactured and sold, or removed for consumption or sale, within the United States, by whatever name such liquors may be called, a tax of one dollar for every barrel containing not more than thirty-one gallons; and at a like rate for any other quantity or for any fractional part of a barrel. In estimating

and computing such tax, the fractional parts of a barrel shall be halves, thirds, quarters, sixths, and eighths; and any fractional part of a barrel containing less than one-eighth shall be accounted one-eighth; more than one-eighth, and not more than one-sixth, shall be accounted one-sixth; more than one-sixth, and not more than one-fourth, shall be accounted one-fourth; more than one-fourth, and not more than one-third, shall be accounted one-third; more than one-third, and not more than one-half, shall be accounted one-half; more than one-half, and not more than one barrel, shall be accounted one barrel; and more than one barrel, and not more than sixty-three gallons, shall be accounted two barrels, or a hogshead. The said tax shall be paid by the owner, agent, or superintendent of the brewery or premises in which such fermented liquors are made, and in the manner and at the time hereinafter specified.

SEC. 3340. Every owner, agent, or superintendent of any brewery, vessels, or utensils used in making fermented liquors, who evades, or attempts to evade, the payment of the tax thereon, or fraudulently neglects or refuses to make true and exact entry and report of the same in the manner required by law, or to do, or cause to be done, any of the things by law required to be done by him as aforesaid, or who intentionally makes false entry in said book or in said statement, or knowingly allows or procures the same to be done, shall forfeit, for every such offense, all the liquors made by him or for him, and all the vessels, utensils, and apparatus used in making the same, and be liable to a penalty of not less than five hundred nor more than one thousand dollars, to be recovered with costs of suit, and shall be deemed guilty of a misdemeanor, and be imprisoned for a term not exceeding one year. And every brewer who neglects to keep books, or refuses to furnish the account and duplicate thereof as provided by law, or refuses to permit the proper officer to examine the books in the manner provided, shall, for every such refusal or neglect, forfeit and pay the sum of three hundred dollars.

SEC. 3341. The Commissioner of Internal Revenue shall cause to be prepared, for the payment of such tax, suitable stamps denoting the amount of tax required to be paid on the hogsheads, barrels, and halves, thirds, quarters, sixths, and eighths of a barrel of such fermented liquors, (and shall also cause to be prepared suitable permits for the purpose hereinafter mentioned,) and shall furnish the same to the collectors of internal revenue, who shall each be required to keep on hand at all times a sufficient supply of permits, and a supply of stamps equal in amount to two months' sale thereof, if there be any brewery or brewery warehouse in his district; and such stamps shall be sold, and permits granted and delivered by such collectors, only to the brewers of their district respectively. Such collectors shall keep an account of the number of permits delivered and of the number and value of the stamps sold by them to each brewer; and the Commissioner of Internal Revenue shall allow upon all sales of such stamps to any brewer, and by him used in his business, a deduction of seven and a half per centum. And the amount paid into the Treasury by any collector on account of the sale of such stamps to brewers shall be included in estimating the commissions of such collector.

SEC. 3342. Every brewer shall obtain, from the collector of the district in which his brewery or brewery warehouse is situated, and not otherwise, unless such collector shall fail to furnish the same upon application to him, the proper stamps, and shall affix upon the spigot-hole or tap (of which there shall be but one) of every hogshead, barrel, keg, or other receptacle, in which any fermented liquor is contained, when sold or removed from such brewery or warehouse, (except in case of removal under permit as hereinafter provided,) a stamp denoting the amount of the tax required upon such fermented liquor, in such a way that the said stamp will be destroyed upon the withdrawal of the liquor from such hogshead, barrel, keg, or other vessel, or upon the introduc-

Fractional parts of a barrel, how estimated.

2 March, 1867, c. 169, s. 10, v. 14, p. 475.

3 March, 1873, c. 254, v. 17, p. 586.

Evading tax, making or procuring false entries, &c.; penalty.

6 June, 1872, c. 315, s. 21, v. 17, p. 246.

13 July, 1866, c. 184, s. 51, v. 14, p. 165.

Stamps, how supplied and sold.

6 June, 1872, c. 315, s. 22, v. 17, p. 246.

13 July, 1866, c. 184, s. 52, v. 14, p. 165.

Stamps, how procured, affixed, and canceled.

6 June, 1872, c. 315, s. 23, v. 17, p. 247.

13 July, 1866, c. 184, s. 53, v. 14, p. 166.

tion of a faucet or other instrument for that purpose; and shall also, at the time of affixing such stamp, cancel the same by writing or imprinting thereon the name of the person, firm, or corporation by whom such liquor was made, or the initial letters thereof, and the date when canceled. Every brewer who refuses or neglects to affix and cancel the stamps required by law in the manner aforesaid, or who affixes a false or fraudulent stamp thereto, or knowingly permits the same to be done, shall pay a penalty of one hundred dollars for each barrel or package on which such omission or fraud occurs, and be imprisoned not more than one year.

Penalty for fraud or neglect.

Selling, removing, or buying fermented liquor in packages without stamp, or false stamp, or with twice-used stamp; penalty.

6 June, 1872, c. 315, s. 24, v. 17, p. 247.
13 July, 1866, c. 184, s. 54, v. 14, p. 166.

Drawing fermented liquor from package without stamp, or with false stamp, or without defacing stamp; penalty.

6 June, 1872, c. 315, s. 24, v. 17, p. 247.

13 July, 1866, c. 184, s. 54, v. 14, p. 166.

Removal for storage without stamps.

6 June, 1872, c. 315, s. 24, v. 17, p. 248.

13 July, 1866, c. 184, s. 54, v. 14, p. 166.

Making, selling, or using false stamps or dies; penalty.

6 June, 1872, c. 315, s. 24, v. 17, p. 247.

13 July, 1866, c. 184, s. 54, v. 14, p. 166.

SEC. 3343. Whenever any brewer, cartman, agent for transportation, or other person, sells, removes, receives, or purchases, or in any way aids in the sale, removal, receipt, or purchase, of any fermented liquor contained in any hogshead, barrel, keg, or other vessel from any brewery or brewery warehouse, upon which the stamp, or permit, in case of removal, required by law, has not been affixed, or on which a false or fraudulent stamp, or permit, in case of removal, is affixed, with knowledge that it is such, or on which a stamp, or permit, in case of removal, once canceled, is used a second time, he shall be fined one hundred dollars and imprisoned for not more than one year.

SEC. 3344. Whenever any retail dealer, or other person, withdraws or aids in the withdrawal of any fermented liquor from any hogshead, barrel, keg, or other vessel containing the same, without destroying or defacing the stamp affixed thereon, or withdraws or aids in the withdrawal of any fermented liquor from any hogshead, barrel, keg, or other vessel, upon which the proper stamp has not been affixed or on which a false or fraudulent stamp is affixed, he shall be fined one hundred dollars and imprisoned not more than one year.

SEC. 3345. Any brewer may remove or transport, or cause to be removed or transported, from his brewery or other place of manufacture to a depot, warehouse, or other place used exclusively for storage or sale in bulk, and occupied by him, in another part of the same collection-district, or in another collection-district, but to no other place, malt liquor of his own manufacture, known as lager-beer, in quantities of not less than six barrels in one vessel, and malt liquor of his own manufacture, known as ale or porter, or any other malt liquor of his own manufacture not heretofore mentioned, in quantities not less than fifty barrels at a time, without affixing the proper stamps on said vessels of lager-beer, ale, porter, or other malt liquor, at the brewery or place of manufacture, under a permit, which shall be granted, upon application, by the collector of the district in which said malt liquor is manufactured, and under such regulations as the Commissioner of Internal Revenue may prescribe; and thereafter the manufacturer of said malt liquor shall stamp the same, when it leaves such depot or warehouse, in the same manner and under the same penalties and liabilities as when stamped at the brewery as herein provided. And the collector of the district in which such depot or warehouse is situated shall furnish the manufacturer with the stamps for stamping the same, as if the said malt liquor had been manufactured in his district. And said permit must be affixed to every such vessel or cask so removed, and canceled or destroyed in such manner as the Commissioner of Internal Revenue may prescribe, and under the same penalties and liabilities as provided herein as to stamps.

SEC. 3346. Every person who makes, sells, or uses any false or counterfeit stamp or permit, or die for printing or making stamps or permits, which is in imitation of or purports to be a lawful stamp, permit, or die of the kind before mentioned in this chapter, or who procures the same to be done, shall be imprisoned for not less than one nor more than five years.

SEC. 3347. When fermented liquor has become sour or damaged, so as to be incapable of use as such, brewers may sell the same for manufacturing purposes, and may remove the same to places where it may be used for such purposes, in casks, or other vessels, unlike those ordinarily used for fermented liquors, containing respectively not less than one barrel each, and having the nature of their contents marked upon them, without affixing thereon the permit, stamp or stamps required.

SEC. 3348. Every brewer who sells fermented liquor at retail at the brewery or other place where the same is made, shall affix and cancel the proper stamps upon the hogsheads, barrels, kegs, or other vessels in which the same is contained, and shall keep an account of the quantity so sold by him, and of the number and size of the hogsheads, barrels, kegs, or other vessels in which the same has been contained, and shall make a report thereof, verified by oath, monthly to the collector.

SEC. 3349. Every brewer shall, by branding, mark or cause to be marked upon every hogshead, barrel, keg, or other vessel containing the fermented liquor made by him, before it is sold or removed from the brewery or brewery warehouse, or other place of manufacture, the name of the person, firm, or corporation by whom such liquor was manufactured, and the place of manufacture; and every person other than the owner thereof, or his agent authorized so to do, who intentionally removes or defaces such marks therefrom, shall be liable to a penalty of fifty dollars for each cask or other vessel from which the mark is so removed or defaced: *Provided*, That when a brewer purchases fermented liquor finished and ready for sale from another brewer, in order to supply the customers of such purchaser, the purchaser may, upon written notice to the collector of his intention so to do, and under such regulations as the Commissioner of Internal Revenue may prescribe, furnish his own vessels, branded with his name and the place where his brewery is situated, to be filled with the fermented liquor so purchased, and to be so removed; the proper stamps to be affixed and canceled, as afore-said, by the manufacturer before removal.

SEC. 3350. Whenever, in the opinion of the collector of any district, it becomes requisite or proper, by reason of an accident to any brewery therein by fire or flood, or of such brewery undergoing repairs, or of other circumstances, that the brewer carrying on the same shall be permitted to conduct his business wholly or in part at some other place within such district or an adjoining district for a temporary period, it shall be lawful for such collector, under such regulations and subject to such limitation of time as the Commissioner of Internal Revenue may prescribe, to issue a permit to such brewer, authorizing him to conduct his business wholly or in part, according to the circumstances, at such other place, for a period to be stated in such permit; and such brewer shall not be required to pay another special tax for the purpose.

SEC. 3351. When malt liquor or tun liquor, in the first stages of fermentation, known as unfermented worts, of whatever kind, is sold by one brewer to another for the purpose of producing fermentation or enlivening old or stale ale, porter, lager-beer, or other fermented liquors, it shall not be liable to a tax to be paid by the seller thereof, but the tax on the same shall be paid by the purchaser thereof, when the same, having been mixed with the old or stale beer, is sold by him as provided by law, and such sale or transfer shall be subject to such restrictions and regulations as the Commissioner of Internal Revenue may prescribe.

SEC. 3352. The ownership or possession by any person of any fermented liquor after its sale or removal from the brewery or warehouse, or other place where it was made, upon which the tax required has not been paid, shall render such liquor liable to seizure wherever found, and to forfeiture, removal under said permits excepted. And the absence of the proper stamps from any hogshead, barrel, keg, or other vessel

Sour malt liquors, removable in peculiar packages, without stamps.

6 June, 1872, c. 315, s. 24, v. 17, p. 247.

13 July, 1866, c. 184, s. 54, v. 14, p. 167.

Brewers selling at retail at brewery, to affix stamps and keep account.

6 June, 1872, c. 315, s. 24, v. 17, p. 248.

13 July, 1866, c. 184, s. 54, v. 14, p. 166.

Name of manufacturer, &c., to be marked on packages; penalty for removing marks, &c.

6 June, 1872, c. 315, s. 25, v. 17, p. 248.

13 July, 1866, c. 184, s. 55, v. 14, p. 167.

Permit to carry on business at another place on account of accident.

6 June, 1872, c. 315, s. 26, v. 17, p. 249.

Unfermented worts sold to other brewers, how taxed.

6 June, 1872, c. 315, s. 27, v. 17, p. 249.

Possession of fermented liquor after removal from warehouse when tax not paid, cause of forfeiture.

6 June, 1872, c. 315, s. 28, v. 17, p. 249.

13 July, 1866, c. 184, s. 57, v. 14, p. 167.

Absence of stamps to be notice and evidence.

Removal or defacement of stamps by others than the owner; penalty.

6 June, 1872, c. 315, s. 29, v. 17, p. 249.

13 July, 1866, c. 184, s. 56, v. 14, p. 167.

Withdrawing liquor from un-stamped packages for bottling, or bottling on brewery premises; penalty.

6 June, 1872, c. 315, s. 30, v. 17, p. 249.

13 July, 1866, c. 184, s. 58, v. 14, p. 167.

containing fermented liquor, after its sale or removal from the brewery where it was made, or warehouse as aforesaid, shall be notice to all persons that the tax has not been paid thereon, and shall be prima-facie evidence of the non-payment thereof.

SEC. 3353. Every person, other than the purchaser or owner of any fermented liquor, or person acting on his behalf, or as his agent, who intentionally removes or defaces the stamp or permit affixed upon the hogshead, barrel, keg, or other vessel, in which the same is contained, shall be liable to a fine of fifty dollars for each such vessel from which the stamp or permit is so removed or defaced, and to render compensation to such purchaser or owner for all damages sustained by him therefrom.

SEC. 3354. Every person who withdraws any fermented liquor from any hogshead, barrel, keg, or other vessel upon which the proper stamp has not been affixed, for the purpose of bottling the same, or who carries on, or attempts to carry on, the business of bottling fermented liquor in any brewery or other place in which fermented liquor is made, or upon any premises having communication with such brewery, or any warehouse, shall be liable to a fine of five hundred dollars, and the property used in such bottling or business shall be liable to forfeiture.

CHAPTER SIX.

TOBACCO AND SNUFF.

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Manufacturer's statement of business.

SEC. 3355. Every person, before commencing, or, if he has already commenced, before continuing, the manufacture of tobacco or snuff, shall furnish, without previous demand therefor, to the collector of the

district where the manufacture is to be carried on, a statement in duplicate, subscribed under oath, setting forth the place, and if in a city, the street and number of the street, where the manufacture is to be carried on; the number of cutting-machines, presses, snuff-mills, hand-mills, or other machines; the name, kind, and quality of the article manufactured or proposed to be manufactured; and when the same is manufactured by him as agent for any other person, or to be sold and delivered to any other person under a special contract, the name and residence and business or occupation of the person for whom the said article is to be manufactured, or to whom it is to be delivered; and he shall give a bond, to be approved by the collector of the district, in the sum of two thousand dollars, with an addition to said sum of three thousand dollars for each cutting-machine kept for use, of one thousand dollars for each screw-press kept for use, in making plug or pressed tobacco, of five thousand dollars for each hydraulic press kept for use, of one thousand dollars for each snuff-mill kept for use, and of one thousand dollars for each hand-mill or other mill or machine kept for the grinding, cutting, or crushing of tobacco; conditioned that he shall not engage in any attempt, by himself or by collusion with others, to defraud the Government of any tax on his manufactures; that he shall render truly and completely all the returns, statements, and inventories, prescribed by law or regulations; that whenever he adds to the number of cutting-machines, presses, snuff-mills, hand-mills, or other mills or machines as aforesaid, he shall immediately give notice thereof to the collector of the district; that he shall stamp in accordance with law all tobacco and snuff manufactured by him before he removes any part thereof from the place of manufacture; that he shall not knowingly sell, purchase, expose, or receive for sale any manufactured tobacco or snuff which has not been stamped as required by law; and that he shall comply with all the requirements of law relating to the manufacture of tobacco or snuff. Additional sureties may be required by the collector, from time to time, but the penal sum of said bond shall not be computed by him in excess of the sum of twenty thousand dollars, except under special instructions of the Commissioner of Internal Revenue. And every manufacturer shall obtain a certificate from the collector of the district, who is hereby directed to issue the same, setting forth the kind and number of machines, presses, snuff-mills, hand-mills, or other mills and machines as aforesaid, for which the bond has been given, which certificate shall be posted in a conspicuous place within the manufactory. And every tobacco-manufacturer who neglects or refuses to obtain such certificate, or to keep the same posted as hereinbefore provided, shall be fined not less than one hundred dollars or more than five hundred dollars. And every person who manufactures tobacco or snuff of any description without first giving bond, as herein required, shall be fined not less than one thousand dollars nor more than five thousand dollars, and imprisoned for not less than one or more than five years.

SEC. 3356. Every manufacturer of tobacco and snuff shall place and keep on the side or end of the building wherein his business is carried on, so that it can be distinctly seen, a sign, with letters thereon not less than three inches in length, painted in oil-colors or gilded, giving his full name and business. And every person who neglects to comply with the requirements of this section shall be fined not less than one hundred dollars or more than five hundred dollars.

SEC. 3357. Every collector shall keep a record, in a book or books provided for the purpose, to be open to the inspection of any person, of the name and residence of every person engaged in the manufacture of tobacco or snuff in his district, the place where such manufacture is carried on, and the number of the manufactory; and he shall enter in said record, under the name of each manufacturer, a copy of every inventory required by law to be made by such manufacturer, and an abstract of his monthly returns. And he shall cause the several manufactories of tobacco or snuff in his district to be numbered consecutively, which numbers shall not thereafter be changed.

20 July, 1868, c. 186, s. 63, v. 15, p. 153.
6 June, 1872, c. 315, s. 31, v. 17, p. 253.

Bond and certificate.

Penalties.

Sign to be put up by manufacturer; penalty for omission.

20 July, 1868, c. 186, s. 64, v. 15, p. 154.

Record of manufacturer to be kept by collector.

20 July, 1868, c. 186, s. 65, v. 15, p. 154.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Annual inventory
of manufacturer.

20 July, 1868, c.
186, s. 66, v. 15, p.
155.

Books and
monthly abstracts.

Penalty.

Dealers in leaf-
tobacco to render
statement of sales
when demanded.

20 July, 1868, c.
186, s. 66, v. 15, p.
155.

Books of dealer
in leaf-tobacco.

20 July, 1868, c.
186, s. 76, v. 15, p.
158.

Planters of tobac-
co to render state-
ment of sales on
demand.

6 June, 1872, c.
315, s. 31, v. 17, p.
250.

SEC. 3358. Every person now or hereafter engaged in the manufacture of tobacco or snuff shall make and deliver to the collector of the district a true inventory, in such form as may be prescribed by the Commissioner of Internal Revenue, and verified by his own oath, of the quantity of each of the different kinds of tobacco, snuff-flour, snuff, stems, scraps, clippings, waste, tin-foil, licorice, sugar, gum, and other materials held or owned by him on the first day of January of each year, or at the time of commencing and at the time of concluding business, if before or after the first of January; setting forth what portion of said goods and materials, and what kinds were manufactured and produced by him, and what was purchased from others. The collector shall make personal examination of the stock sufficient to satisfy himself as to the correctness of the inventory, and shall verify the fact of such examination by oath, to be indorsed on or affixed to the inventory. And every such person shall keep a book or books, the forms of which shall be prescribed by the Commissioner of Internal Revenue, and enter therein daily an accurate account of all the articles aforesaid purchased by him, the quantity of tobacco, snuff, and snuff-flour, stems, scraps, clippings, waste, tin-foil, licorice, sugar, gum, and other materials, of whatever description, manufactured, sold, consumed, or removed for consumption or sale, or removed from the place of manufacture in bond, and to what district removed; also the number of net pounds of lumps of plug tobacco made in the lump-room, and the number of packages and pounds thereof produced in the press-room each day. And he shall, on or before the tenth day of each month, furnish to the collector a true and complete abstract from such book, verifying the same by his oath, of all such purchases, sales, and removals made during the month next preceding. And whenever any such person refuses or willfully neglects to deliver the inventory, or keep the account, or furnish the abstract aforesaid, he shall be fined not less than five hundred dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than three years.

SEC. 3359. It shall be the duty of any dealer in leaf-tobacco, or in any material used in manufacturing tobacco or snuff, on demand of any officer of internal revenue, to render a true and complete statement, under oath, of the quantity and amount of such leaf-tobacco or materials sold or delivered to any person named in such demand; and in case of refusal or neglect to render such statement, or if there is cause to believe such statement to be incorrect or fraudulent, the collector shall make an examination of persons, books, and papers, in the manner provided in relation to frauds and evasions.

SEC. 3360. Every dealer in leaf-tobacco shall enter daily in a book kept for that purpose, under such regulations as the Commissioner of Internal Revenue may prescribe, the number of hogsheads, cases, and pounds of leaf-tobacco purchased by him, and of whom purchased, and the number of hogsheads, cases, or pounds sold by him, with the name and residence, in each instance, of the person to whom sold, and if shipped, to whom shipped, and to what district. Such book shall be kept at his place of business, and shall be open at all hours to the inspection of any revenue officer; and every dealer in leaf-tobacco who neglects or refuses to keep such book shall be liable to a penalty of not less than five hundred dollars, and shall be fined not less than one hundred dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than two years.

SEC. 3361. It shall be the duty of every farmer or planter producing and selling leaf-tobacco, on demand of any internal-revenue officer, or other authorized agent of the Treasury Department, to furnish said officer or agent a true and complete statement, verified by oath, of all his sales of leaf-tobacco, the number of hogsheads, cases, or pounds, with the name and residence, in each instance, of the person to whom sold, and the place to which it is shipped. And every such farmer or planter who willfully refuses to furnish such information, or who knowingly

makes false statements as to any of the facts aforesaid, shall be liable to a penalty not exceeding five hundred dollars.

SEC. 3362. All manufactured tobacco shall be put up and prepared by the manufacturer for sale, or removal for sale or consumption, in packages of the following description, and in no other manner:

All snuff in packages containing one, two, four, six, eight, and sixteen ounces, or in bladders and in jars containing not exceeding twenty pounds.

All fine-cut chewing-tobacco, and all other kinds of tobacco not otherwise provided for, in packages containing one, two, four, eight, and sixteen ounces, except that fine-cut chewing-tobacco may, at the option of the manufacturer, be put up in wooden packages containing ten, twenty, forty, and sixty pounds each.

All smoking-tobacco, and all cut and granulated tobacco other than fine-cut chewing, all shorts, the refuse of fine-cut chewing, which has passed through a riddle of thirty-six meshes to the square inch, and all refuse scraps, clippings, cuttings, and sweepings of tobacco, in packages containing two, four, eight, and sixteen ounces each.

All cavendish, plug, and twist tobacco in wooden packages not exceeding two hundred pounds net weight.

And every such wooden package shall have printed or marked thereon the manufacturer's name and place of manufacture, the registered number of the manufactory, and the gross weight, the tare, and the net weight of the tobacco in each package: *Provided*, That these limitations and descriptions of packages shall not apply to tobacco and snuff transported in bond for exportation and actually exported: *And provided further*, That fine-cut shorts, the refuse of fine-cut chewing-tobacco, refuse scraps, clippings, cuttings, and sweepings of tobacco, may be sold in bulk as material, and without the payment of tax, by one manufacturer directly to another manufacturer, or for export, under such restrictions, rules, and regulations as the Commissioner of Internal Revenue may prescribe: *And provided further*, That wood, metal, paper, or other materials may be used separately or in combination for packing tobacco, snuff, and cigars, under such regulations as the Commissioner of Internal Revenue may establish.

SEC. 3363. No manufactured tobacco shall be sold or offered for sale unless put up in packages and stamped as prescribed in this chapter, except at retail by retail dealers from wooden packages stamped as provided in this chapter; and every person who sells or offers for sale any snuff, or any kind of manufactured tobacco, not so put up in packages and stamped, shall be fined not less than five hundred dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than two years.

SEC. 3364. Every manufacturer of tobacco or snuff shall, in addition to all other requirements of this Title relating to tobacco, print on each package, or securely affix, by pasting, on each package containing tobacco or snuff manufactured by or for him, a label, on which shall be printed the proprietor's or manufacturer's name, the number of the manufactory, the district and State in which it is situated, and these words:

"NOTICE.—The manufacturer of this tobacco has complied with all requirements of law. Every person is cautioned, under the penalties of law, not to use this package for tobacco again."

Every manufacturer of tobacco who neglects to print on or affix such label to any package containing tobacco made by or for him, or sold or offered for sale by or for him, and every person who removes any such label so affixed from any such package, shall be fined fifty dollars for each package in respect to which such offense shall be committed.

Tobacco and snuff, how put up.

20 July, 1868, c. 186, s. 62, v. 15, p. 153.

6 June, 1872, c. 315, s. 31, v. 17, p. 252.

Tobacco and snuff to be sold only in prescribed packages; penalty.

20 July, 1868, c. 186, s. 78, v. 15, p. 159.

Label and notice on packages of tobacco and snuff.

20 July, 1868, c. 186, s. 68, v. 15, p. 156.

Snuff and smoking tobacco manufactured before July 20, 1868, may be sold in original packages.

SEC. 3365. The Commissioner of Internal Revenue may, in any case, allow snuff and smoking-tobacco manufactured before July twenty, eighteen hundred and sixty-eight, not in wooden packages, to be stamped and sold in the original packages.

10 April, 1869, c. 18, s. 3, v. 16, p. 44.

Purchasing tobacco not branded or marked; penalty.

SEC. 3366. Every person who purchases, or receives for sale, any manufactured tobacco or snuff which has not been branded or stamped according to law, shall be liable to a penalty of fifty dollars for each offense.

13 July, 1866, c. 184, s. 9, v. 14, p. 126. 30 June, 1864, c. 173, s. 92, v. 13, p. 263. 20 July, 1868, c. 186, s. 71, v. 15, p. 156.

Buying tobacco from a manufacturer who has not paid special tax.

SEC. 3367. Every person who purchases, or receives for sale, any manufactured tobacco or snuff from any manufacturer who has not paid the special tax, shall be liable for each offense to a penalty of one hundred dollars, and to a forfeiture of all the articles aforesaid so purchased or received, or of the full value thereof.

13 July, 1866, c. 184, s. 9, v. 14, p. 126. 30 June, 1864, c. 173, s. 92, v. 13, p. 263.

Tax on tobacco and snuff.

SEC. 3368. Upon tobacco and snuff manufactured and sold, or removed for consumption or use, there shall be levied and collected the following taxes:

20 July, 1868, c. 186, s. 61, v. 15, p. 152.

6 June, 1872, c. 315, s. 31, v. 17, p. 250.

On snuff, manufactured of tobacco or any substitute for tobacco, ground, dry, damp, pickled, scented, or otherwise, of all descriptions, when prepared for use, a tax of thirty-two cents per pound. And snuff-flour, when sold, or removed for use or consumption, shall be taxed as snuff, and shall be put up in packages and stamped in the same manner as snuff.

On all chewing and smoking tobacco, fine-cut, cavendish, plug, or twist, cut or granulated, of every description; on tobacco twisted by hand or reduced into a condition to be consumed, or in any manner other than the ordinary mode of drying and curing, prepared for sale or consumption, even if prepared without the use of any machine or instrument, and without being pressed or sweetened; and on all fine-cut shorts and refuse scraps, clippings, cuttings, and sweepings of tobacco, a tax of twenty cents a pound.

Stamps, how prepared, furnished, and sold.

20 July, 1868, c. 186, s. 67, v. 15, p. 155.

6 June, 1872, c. 315, s. 31, v. 17, p. 253.

SEC. 3369. The Commissioner of Internal Revenue shall cause to be prepared suitable and special stamps for the payment of the tax on tobacco and snuff, which shall indicate the weight and class of the article on which payment is to be made, and shall be affixed and canceled in the mode prescribed by the Commissioner of Internal Revenue, and stamps when used on any wooden package shall be canceled by sinking a portion of the same into the wood with a steel die, and also such export-stamps as are required by law. Such stamps shall be furnished to the collectors requiring them, and each collector shall keep at all times a supply equal in amount to three months' sale thereof, and shall sell the same only to the manufacturers of tobacco and snuff in their respective districts who have given bonds as required by law, and to owners or consignees of tobacco or snuff, upon the requisition of the proper custom-house officer having the custody of such tobacco or snuff; and to persons required by law to affix the same to tobacco or snuff on hand on the first day of January, eighteen hundred and sixty-nine. And every collector shall keep an account of the number, amount, and denominate values of stamps sold by him to each manufacturer or other person aforesaid: *Provided*, That such stamps as may be required to stamp tobacco, snuff, or cigars, sold under distraint by any collector of internal revenue, or for stamping any tobacco, snuff, or cigars which may have been abandoned, condemned, or forfeited, and sold by order of court or of any Government officer for the benefit of the United States, may, under such rules and regulations as the Commissioner of Internal Revenue shall prescribe, be used by the collector making such sale, or furnished by a collector to a United States marshal, or to any other

Government officer making such sale for the benefit of the United States, without making payment for said stamps so used or delivered; and any revenue-collector using or furnishing stamps in manner as aforesaid, on presenting vouchers satisfactory to the Commissioner of Internal Revenue, shall be allowed credit for the same in settling his stamp-account with the Department: *And provided further*, That in case it shall appear that any abandoned, condemned, or forfeited tobacco, snuff, or cigars, when offered for sale, will not bring a price equal to the tax due and payable thereon, such goods shall not be sold for consumption in the United States; and upon application made to the Commissioner of Internal Revenue, he is authorized and directed to order the destruction of such tobacco, snuff, or cigars by the officer in whose custody and control the same may be at the time, and in such manner and under such regulations, as the Commissioner of Internal Revenue may prescribe.

SEC. 3370. Whenever tobacco or snuff of any description is manufactured, in whole or in part, upon commission or shares, or the material from which any such articles are made, or are to be made, is furnished by one person and made or manufactured by another, or the material is furnished or sold by one person with an understanding or agreement with another that the manufactured article is to be received in payment therefor or for any part thereof, the stamps required by law shall be affixed by the actual maker or manufacturer before the article passes from the place of making or manufacturing. And in case of fraud on the part of either of said persons in respect to said manufacture, or of any collusion on their part with intent to defraud the revenue, such material and manufactured articles shall be forfeited to the United States; and each party to such fraud or collusion shall be deemed guilty of a misdemeanor, and be fined not less than one hundred dollars nor more than five thousand dollars, and imprisoned for not less than six months nor more than three years.

SEC. 3371. Whenever any manufacturer of tobacco, snuff, or cigars, sells, or removes for sale or consumption, any tobacco, snuff, or cigars upon which a tax is required to be paid by stamps, without the use of the proper stamps, it shall be the duty of the Commissioner of Internal Revenue, within a period of not more than two years after such sale or removal, upon such information as he can obtain, to estimate the amount of tax which has been omitted to be paid, and to make an assessment therefor, and certify the same to the collector. The tax so assessed shall be in addition to the penalties imposed by law for such sale or removal.

SEC. 3372. Every manufacturer of tobacco or snuff who removes, otherwise than as provided by law, or sells, without the proper stamps denoting the tax thereon, or without having paid the special tax, or given bond as required by law, any tobacco or snuff, or who makes false and fraudulent entries of manufactures or sales of tobacco or snuff, or makes false or fraudulent entries of the purchase or sales of leaf-tobacco, tobacco-stems, or other material, or who affixes any false, forged fraudulent, spurious, or counterfeit stamp, or imitation of any stamp, required by law, or any stamp required by law which has been previously used, to any box or package containing any tobacco or snuff, shall, in addition to the penalties elsewhere provided by law for such offenses, forfeit to the United States all the raw material and manufactured or partly manufactured tobacco and snuff, and all machinery, tools, implements, apparatus, fixtures, boxes, and barrels, and all other materials which may be found in his possession, in his manufactory, or elsewhere.

SEC. 3373. The absence of the proper stamp on any package of manufactured tobacco or snuff shall be notice to all persons that the tax has not been paid thereon, and shall be prima-facie evidence of the non-payment thereof. And such tobacco or snuff shall be forfeited to the United States.

Tobacco manufactured by one person for another, or on shares; stamps, by whom affixed; fraud in such cases.

20 July, 1868, c. 186, s. 75, v. 15, p. 158.

Estimated tax on tobacco sold without stamps.

6 June, 1872, c. 315, s. 31, v. 17, p. 252.

20 July, 1868, c. 186, s. 60, v. 15, p. 152.

Removing unlawfully, selling without stamps, or payment of tax, or giving bond, making false entries, &c.

20 July, 1868, c. 186, s. 69, v. 15, p. 156.

6 June, 1872, c. 315, s. 31, v. 17, p. 253.

Absence of stamp to be evidence of non-payment.

20 July, 1868, c. 186, s. 70, v. 15, p. 156.

Removing except
improper packages,
or without stamp;
selling unlawfully,
&c.

20 July, 1868, c.
186, s. 71, v. 15, p.
156.

6 June, 1872, c.
315, s. 31, v. 17, p.
253.

Affixing false
stamps or stamps
twice used.

20 July, 1868, c.
186, s. 71, v. 15, p.
156.

Stamped portion
of emptied pack-
ages to be de-
stroyed; buying,
selling, or using
same.

Ibid., s. 72, p. 156.
6 June, 1872, c.
315, s. 31, v. 17, p.
253.

Imported tobacco
and snuff.

20 July, 1868, c.
186, s. 77, v. 15, p.
158.

SEC. 3374. Every person who removes from any manufactory, or from any place where tobacco or snuff is made, any manufactured tobacco or snuff without the same being put up in proper packages, or without the proper stamp for the amount of tax thereon being affixed and canceled, as required by law; or, if the same be intended for export, without the proper export-stamp being affixed; or who uses, sells, or offers for sale, or has in possession, except in the manufactory, or while in transfer under bond or a collector's permit, from any manufactory, store, or warehouse, to a vessel for exportation to a foreign country, any manufactured tobacco or snuff, without proper stamps for the amount of tax thereon being affixed and canceled; or who sells, or offers for sale, for consumption in the United States, or uses, or has in possession, except in the manufactory, or while in transfer under bond or a collector's permit, from any manufactory, store, or warehouse, to a vessel for exportation to a foreign country, any manufactured tobacco or snuff on which only the stamp marking the same for export has been affixed, shall for each such offense, respectively, be fined not less than one thousand dollars nor more than five thousand dollars, and be imprisoned not less than six months nor more than two years.

SEC. 3375. Every person who affixes to any package containing tobacco or snuff, any false, forged, fraudulent, spurious, or counterfeit stamp, or a stamp which has been before used, shall be deemed guilty of a felony, and shall be fined not less than one thousand dollars nor more than five thousand dollars, and imprisoned not less than two years nor more than five years.

SEC. 3376. Whenever any stamped box, bag, vessel, wrapper, or envelope of any kind, containing tobacco or snuff, is emptied, the stamp or stamps thereon shall be destroyed by the person in whose hands the same may be. And every person who willfully neglects or refuses so to do shall, for each such offense, be fined fifty dollars, and imprisoned not less than ten days nor more than six months. And every person who sells or gives away, or who buys or accepts from another any such empty stamped box, bag, vessel, wrapper, or envelope of any kind, or the stamp or stamps taken from any such empty box, bag, vessel, wrapper, or envelope of any kind, shall, for each such offense, be fined one hundred dollars and imprisoned for not less than twenty days, and not more than one year. And every manufacturer or other person who puts tobacco or snuff into any such box, bag, vessel, wrapper, or envelope, the same having been either emptied or partially emptied, or who has in his possession, or affixes to any box or other package, any stamp which has been previously used, or who sells, or offers for sale, any box or other package of tobacco, snuff, or cigars, having affixed thereto any fraudulent, spurious, imitation, or counterfeit stamp, or stamp that has been previously used, or sells from any such fraudulently stamped box or package, or has in his possession any box or package as aforesaid, knowing the same to be fraudulently stamped, shall, for each such offense, be fined not less than one hundred dollars nor more than five hundred dollars, and imprisoned for not less than one year nor more than three years.

SEC. 3377. All manufactured tobacco and snuff (not including cigars) imported from foreign countries shall, in addition to the import duties imposed on the same, pay the tax imposed by law on like kinds of tobacco and snuff manufactured in the United States, and have the same stamps respectively affixed. Such stamps shall be affixed and canceled on all such articles so imported by the owner or importer thereof, while they are in the custody of the proper custom-house officers, and such articles shall not pass out of the custody of said officers until the stamps have been affixed and canceled. Such tobacco and snuff shall be put up in packages, as prescribed by law for like articles manufactured in the United States before the stamps are affixed; and the owner or importer shall be liable to all the penal provisions prescribed for manufactures of tobacco and snuff manufactured in the United States. Whenever it is necessary to take any such articles, so imported, to any place for the pur-

pose of repacking, affixing, and canceling such stamps, other than the public stores of the United States, the collector of customs of the port where they are entered shall designate a bonded warehouse to which they shall be taken, under the control of such customs officer as he may direct. And every officer of customs who permits any such articles to pass out of his custody or control without compliance by the owner or importer thereof with the provisions of this section relating thereto, shall be deemed guilty of a misdemeanor, and shall be fined not less than one thousand dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than three years.

SEC. 3378. Every dealer in manufactured tobacco who had on hand more than twenty pounds of such tobacco, and every dealer in snuff who had on hand more than ten pounds of snuff, on the twentieth day of July, eighteen hundred and sixty-eight, whether manufactured in the United States or imported prior to that date, shall make, and shall deposit with the collector of the district, on the first day of every month, a true and complete inventory, under oath, of any such tobacco and snuff, respectively, then remaining on hand and not stamped. The collector shall make, and shall transmit to the Commissioner of Internal Revenue, an abstract of the several inventories so filed in his office. All manufactured tobacco of every description shall be taken and deemed as having been manufactured after July twentieth, eighteen hundred and sixty-eight.

SEC. 3379. Any person having in his possession any tobacco, snuff, or cigars manufactured and sold, or removed from the manufactory or place where they were made, since July twenty, eighteen hundred and sixty-eight, and prior to November twenty-three, eighteen hundred and sixty-eight, or having in his possession cigars imported from foreign countries, or withdrawn from a United States bonded warehouse, at any time between the said dates, who shall, before selling or offering for sale such tobacco, snuff, or cigars, affix and cancel proper internal-revenue stamps, shall be entitled to have refunded to him an amount of tax previously paid thereon equal to the value of the stamps so affixed before sale or offering for sale: *Provided*, That, prior to said twenty-third of November, eighteen hundred and sixty-eight, such tobacco, snuff, or cigars, were put up in packages, and all other requirements of law relating to tobacco, snuff, and cigars were complied with, in the manner prescribed by the act of July twenty, eighteen hundred and sixty-eight. And the Commissioner of Internal Revenue, on appeal made to him, may pay back a sum of money equal to the value of the stamps so affixed, upon satisfactory evidence submitted to him that such tobacco or snuff was actually manufactured and removed from the place of manufacture, and that such cigars were so manufactured and removed, or imported and withdrawn from a bonded warehouse, and the several rates of tax imposed on such goods by the act of July twenty, eighteen hundred and sixty-eight, were assessed and paid, and that the claimant had in all respects complied with the internal-revenue laws as far as they were applicable to such articles. And the Commissioner of Internal Revenue may prescribe such regulations, for carrying into effect the provisions of this section, as he may deem proper and necessary.

SEC. 3380. Any person who sells or offers for sale any manufactured tobacco or snuff, representing the same to have been manufactured and the tax paid thereon prior to July twenty, eighteen hundred and sixty-eight, when the same was not so manufactured, and the tax not so paid, shall be liable to a penalty of five hundred dollars for each offense, and shall be deemed guilty of a misdemeanor, and shall be fined not less than five hundred dollars nor more than five thousand dollars, and be imprisoned not less than six months nor more than two years.

SEC. 3381. Every peddler of tobacco, before commencing, or, if he has already commenced, before continuing to peddle tobacco, shall furnish to the collector of his district a statement accurately setting forth the place of his residence, and, if in a city, the street and

Tobacco and snuff on hand before 20 July, 1868, monthly inventories.

Ibid., s. 78, p. 159.

Tobacco, snuff, and cigars manufactured between 20 July, 1868, and 10 April, 1869.

10 April, 1869, c. 18, s. 3, v. 16, p. 43.

Selling tobacco as made and tax paid before 20 July, 1868; penalty.

20 July, 1868, c. 186, s. 79, v. 15, p. 159.

Peddlers of tobacco, notice of business and bond.

6 June, 1872, c. 315, s. 31, v. 17, p. 251.

number of the street where he resides; the State or States through which he proposes to travel; the mode of travel, whether on foot, with one, two, or more horses, mules, or other animals, or by public conveyance; also whether he proposes to sell his own manufactures or the manufactures of others, and, if he sells for other parties, the person for whom he sells. He shall also give a bond in the sum of two thousand dollars, to be approved by the collector of the district, conditioned that he shall not engage in any attempt, by himself or by collusion with others, to defraud the Government of any tax on tobacco, snuff, or cigars; that he shall neither sell, nor offer for sale, any tobacco, snuff, or cigars, except in original and full packages, as the law requires the same to be put up and prepared by the manufacturer for sale, or for removal for sale or consumption, and except such packages of tobacco, snuff, and cigars as bear the manufacturer's label or caution-notice, and his legal marks and brands, and genuine internal-revenue stamps which have never before been used.

Peddlers of tobacco traveling with wagon.

SEC. 3382. Every peddler of tobacco, snuff, or cigars, traveling with a wagon, shall affix and keep on the same, in a conspicuous place, a sign painted in oil-colors, or gilded, giving his full name, business, and collection-district.

6 June, 1872, c. 315, s. 31, v. 17, p. 251.

Peddler to obtain and exhibit certificate, &c.

SEC. 3383. Every peddler of tobacco shall obtain a certificate from the collector of his collection-district, who is hereby authorized and directed to issue the same, giving the name of the peddler, his residence, the class of his special-tax stamp, and the fact of his having filed the required bond; and shall, on demand of any officer of internal revenue, produce and exhibit said certificate, and, unless he shall do so, may be deemed not to have paid the special tax, nor otherwise to have complied with the law. And whenever any peddler refuses to exhibit his special stamp as aforesaid, on demand of any officer of internal revenue, said officer may seize the horse, or mule, wagon and contents, or pack, bundle, or basket of any person so refusing; and the collector of the district in which the seizure occurs may, on ten days' notice, published in any newspaper in the district, or served personally on the peddler, or at his dwelling-house, require such peddler to show cause, if any he has, why the horses or mules, wagon and contents, pack, bundle, or basket so seized shall not be forfeited. In case no sufficient cause is shown, proceedings for the forfeiture of the property seized shall be taken under the general provisions of the internal-revenue laws relating to forfeitures.

6 June, 1872, c. 315, s. 31, v. 17, p. 252.

24 Dec., 1872, c. 13, ss. 1, 6, v. 17, pp. 401, 403.

Peddling tobacco unlawfully; penalty.

SEC. 3384. Every person who is found peddling tobacco, snuff, or cigars, without having given the bond, or without having previously obtained the collector's certificate as herein provided, or who sells tobacco, snuff, or cigars otherwise than in original and full packages as put up by the manufacturer; or who has in his possession any internal-revenue stamp which has been removed from any box or other package of tobacco, snuff, or cigars, or any empty or partially emptied box or other package which has been used for tobacco, snuff, or cigars, the stamp or stamps on which have not been destroyed; or who fails to have affixed to his wagon, in a conspicuous place, a sign, painted in oil-colors, or gilded, giving his full name, business, and collection-district, shall, for each such offense, be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned not less than six months nor more than one year, or both, at the discretion of the court.

6 June, 1872, c. 315, s. 31, v. 17, p. 252.

Exportation of manufactured tobacco, &c.

SEC. 3385. Manufactured tobacco, snuff, and cigars intended for immediate exportation, may, after being properly inspected, marked, and branded, be removed from the manufactory in bond without having affixed thereto the stamps indicating the payment of the tax thereon. The removal of such tobacco, snuff, and cigars from the manufactory shall be made under such regulations, and after making such entries and executing and filing, with the collector of the district from which

6 June, 1872, c. 315, s. 31, v. 17, p. 254.
20 July, 1868, c. 186, s. 73, v. 15, p. 157.

the removal is to be made, such bonds and bills of lading, and giving such other additional security as may be prescribed by the Commissioner of Internal Revenue and approved by the Secretary of the Treasury. There shall be affixed to each package of tobacco, snuff, and cigars intended for immediate export, before it is removed from the manufactory, an engraved stamp, indicative of such intention. Such stamp shall be provided and furnished to the several collectors as in the case of other stamps, and be charged to them and accounted for in the same manner; and for the expense attending the providing and affixing thereof, ten cents for each package so stamped shall be paid to the collector on making the entry for such transportation. When the manufacturer has made the proper entries, filed the bonds, and otherwise complied with all the requirements of the law and regulations as herein provided, the collector shall issue to him a permit for the removal, accurately describing the tobacco, snuff, and cigars to be shipped, the number and kind of packages, the number of pounds, the amount of tax, the marks and brands, the State and collection-district from which the same are shipped, the number of the manufactory and the manufacturer's name, the port from which the said tobacco, snuff, and cigars are to be exported, the route or routes over which the same are to be sent to the port of shipment, and the name of the vessel or line by which they are to be conveyed to the foreign port. The bonds required to be given for the exportation of the tobacco, snuff, and cigars shall be canceled upon the presentation of the proper certificates that said tobacco, snuff, and cigars have been landed at any port without the jurisdiction of the United States, or upon satisfactory proof that after shipment the same were lost at sea.

SEC. 3386. There shall be an allowance of drawback on tobacco, snuff, and cigars on which the tax has been paid by suitable stamps affixed thereto before removal from the place of manufacture, when the same are exported, equal in amount to the value of the stamps found to have been so affixed, the evidence that the stamps were so affixed, and the amount of tax so paid, and of the subsequent exportation of the said tobacco, snuff, and cigars, to be ascertained under such regulations as shall be prescribed by the Commissioner of Internal Revenue and approved by the Secretary of the Treasury. Any sums found to be due under the provisions of this section shall be paid by the warrant of the Secretary of the Treasury on the Treasurer of the United States, out of any money arising from internal duties not otherwise appropriated: *Provided*, That no claim for an allowance of drawback shall be entertained or allowed for a sum less than fifty dollars, nor except upon evidence satisfactory to the Commissioner of Internal Revenue that the stamps affixed to the tobacco, snuff, or cigars alleged to have been exported were totally destroyed before the shipment thereof, and that the same have been landed in a foreign country or lost at sea, and have not been relanded within the limits of the United States.

Drawback on exported tobacco, &c.

6 June, 1872, c. 315, s. 31, v. 17, p. 254.

20 July, 1868, c. 186, s. 74, v. 15, p. 157.

CHAPTER SEVEN.

CIGARS.

Sec.	Sec.
3387. Manufacturer's statement and bond.	3399. Cigars manufactured on shares, commission, or contract; how stamped; frauds.
3388. Manufacturer's sign.	3400. Forfeiture of property for selling, &c., contrary to law, using false stamps, &c.
3389. Record of manufacturers and makers.	3401. Falsely representing cigars to have been made prior to 20 July, 1868.
3390. Annual inventory, book entries, and monthly abstracts of manufacturer.	3402. Imported cigars to pay tax; stamps, when and by whom affixed.
3391. Dealers in material for cigars to make sworn statement, when demanded.	3403. Selling imported cigars not packed as required by law.
3392. How cigars are to be packed.	3404. Purchasing cigars not branded or stamped.
3393. Label and notice on cigars.	3405. Buying cigars from a manufacturer who has not paid a special tax.
3394. Tax on cigars and cigarettes.	3406. Stamps on emptied cigar-boxes to be destroyed; penalty for neglect, &c.
3395. Stamps, how prepared, furnished, and accounted for.	
3396. Inspection of cigars, &c.	
3397. Removal without properly boxing, stamping, or branding; using false stamps, &c.	
3398. Absence of stamp evidence of non-payment of tax.	

Manufacturer's statement and bond.

20 July, 1868, c. 186, s. 82, v. 15, p. 160.

SEC. 3387. Every person before commencing, or, if he has already commenced, before continuing, the manufacture of cigars, shall furnish, without previous demand therefor, to the collector of the district a statement in duplicate, under oath, setting forth the place, and, if in a city, the street and number of the street, where the manufacture is to be carried on; and when the same are to be manufactured for, or to be sold and delivered to, any other person, the name and residence and business or occupation of the person for whom they are to be manufactured, or to whom they are to be delivered; and shall give a bond, in conformity with the provisions of this Title, in such penal sum as the collector may require, not less than five hundred dollars, with an addition of one hundred dollars for each person proposed to be employed by him in making cigars, and the sum of said bond may be increased from time to time and additional sureties required, at the discretion of the collector, or under the instructions of the Commissioner of Internal Revenue. Said bond shall be conditioned that he shall not employ any person to manufacture cigars who has not been duly registered as a cigar-maker; that he shall not engage in any attempt, by himself or by collusion with others, to defraud the Government of any tax on his manufactures; that he shall render correctly all the returns, statements, and inventories prescribed; that whenever he shall add to the number of cigar-makers employed by him he shall immediately give notice thereof to the collector of the district; that he shall stamp, in accordance with law, all cigars manufactured by him before he offers the same or any part thereof for sale, and before he removes any part thereof from the place of manufacture; that he shall not knowingly sell, purchase, expose, or receive for sale, any cigars which have not been stamped as required by law; and that he shall comply with all the requirements of law relating to the manufacture of cigars. Every cigar-manufacturer shall obtain from the collector of the district, who is hereby required to issue the same, a certificate setting forth the number of cigar-makers for which the bond has been given, and shall keep the same posted in a conspicuous place within the manufactory; and every cigar-manufacturer who neglects or refuses to obtain such certificate, or to keep the same posted as hereinbefore provided, shall be fined one hundred dollars. And every person who manufactures cigars of any description, without first giving bond as herein required, shall be fined not less than one hundred dollars nor more than five thousand dollars, and imprisoned not less than three months nor more than five years. Cigarettes and cheroots shall be held to be cigars under the meaning of this chapter.

SEC. 3388. Every cigar-manufacturer shall place and keep on the side or end of the building within which his business is carried on, so that it can be distinctly seen, a sign, with letters thereon not less than three inches in length, painted in oil-colors or gilded, giving his full name and business. Any person neglecting to comply with the requirements of this section shall, on conviction, be fined not less than one hundred dollars nor more than five hundred dollars.

SEC. 3389. Every collector shall keep a record, in a book provided for that purpose, to be open to the inspection of any person, of the name and residence of every person engaged in the manufacture of cigars in his district, the place where such manufacture is carried on, the number of the manufactory, and the names and residences of every cigar-maker employed in his district; and he shall enter in said record, under the name of each manufacturer, an abstract of his inventories and monthly returns. And he shall cause the several manufactories of cigars in the district to be numbered consecutively, which number shall not thereafter be changed.

SEC. 3390. Every person now or hereafter engaged in the manufacture of cigars shall make and deliver to the collector of the district a true inventory, in such form as may be prescribed by the Commissioner of Internal Revenue, of the quantity of leaf tobacco, cigars, stems, scraps, clippings, and waste, and of the number of cigar-boxes and the capacity of each box, held or owned by him on the first day of January of each year, or at the time of commencing and at the time of concluding business, if before or after the first of January; setting forth what portion and kinds of said goods were manufactured or produced by him, and what were purchased from others, and shall verify said inventory by his oath indorsed thereon. The collector shall make personal examination of the stock sufficient to satisfy himself as to the correctness of the inventory; and shall verify the fact of such examination by oath to be indorsed on the inventory. Every such person shall also enter daily in a book, the form of which shall be prescribed by the Commissioner of Internal Revenue, an accurate account of all the articles aforesaid purchased by him, the quantity of leaf-tobacco, cigars, stems, or cigar-boxes, of whatever description, manufactured, sold, consumed, or removed for consumption or sale, or removed from the place of manufacture; and shall, on or before the tenth day of each and every month, furnish to the collector of the district a true and accurate abstract from such book, verified by his oath, of all such purchases, sales, and removals made during the month next preceding. In case of refusal or willful neglect to deliver the inventory or keep the account, or furnish the abstract aforesaid, he shall be fined not less than five hundred dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than three years.

SEC. 3391. It shall be the duty of every dealer in leaf-tobacco or material used in manufacturing cigars, on demand of any officer of internal revenue, to render to such officer a true and correct statement, under oath, of the quantity and amount of such leaf-tobacco or materials sold or delivered to any person named in such demand; and in case of refusal or neglect to render such statement, or if there is cause to believe such statement to be incorrect or fraudulent, the collector shall make an examination of persons, books, and papers in the manner provided in this Title in relation to frauds and evasions.

SEC. 3392. All cigars shall be packed in boxes not before used for that purpose, containing, respectively, twenty-five, fifty, one hundred, two hundred and fifty, or five hundred cigars each; and every person who sells or offers for sale, or delivers or offers to deliver, any cigars in any other form than in new boxes as above described, or who packs in any box any cigars in excess of the number provided by law to be put in each box respectively, or who falsely brands any box, or affixes a stamp on any box denoting a less amount of tax than that required by law, shall be fined for each such offense not less than one hundred dollars nor

Manufacturer's sign.

20 July, 1868, c. 186, s. 83, v. 15, p. 160.

Record of manufacturers and makers.

20 July, 1868, c. 186, s. 84, v. 15, p. 161.

Annual inventory, book entries and monthly abstracts of manufacturer.

Ibid., s. 86, p. 161.

Dealers in material for cigars to make sworn statement, when demanded.

Ibid., s. 86, p. 162.

How cigars are to be packed.

Ibid., s. 85, p. 161.

more than one thousand dollars, and be imprisoned not less than six months nor more than two years: *Provided*, That nothing in this section shall be construed as preventing the sale of cigars at retail by retail dealers who have paid the special tax as such from boxes packed, stamped, and branded in the manner prescribed by law.

Label and notice on cigars.

Ibid., s. 88, p. 162.
10 April, 1869, c. 18, s. 1, v. 16, p. 43.

SEC. 3393. Every manufacturer of cigars shall securely affix, by pasting on each box containing cigars manufactured by or for him, a label, on which shall be printed, together with the proprietor's or manufacturer's name, the number of the manufactory, and the district and State in which it is situated, these words:

"NOTICE.—The manufacturer of the cigars herein contained has complied with all the requirements of law. Every person is cautioned under the penalties of law not to use this box for cigars again."

Every manufacturer of cigars who neglects to affix such label to any box containing cigars made by or for him, or sold or offered for sale by or for him, and every person who removes any such label, so affixed, from any such box, shall be fined fifty dollars for each box in respect to which such offense is committed.

Tax on cigars and cigarettes.

20 July, 1868, c. 186, s. 81, v. 15, p. 160.

SEC. 3394. Upon cigars which shall be manufactured and sold, or removed for consumption or use, there shall be assessed and collected the following taxes, to be paid by the manufacturer thereof:

On cigars of all descriptions, made of tobacco or any substitute therefor, five dollars per thousand; on cigarettes weighing not more than three pounds per thousand, one dollar and fifty cents per thousand; on cigarettes weighing more than three pounds per thousand, five dollars per thousand.

Stamps, how prepared, furnished and accounted for.

Ibid., s. 87, p. 162.

SEC. 3395. The Commissioner of Internal Revenue shall cause to be prepared, for payment of the tax upon cigars, suitable stamps denoting the tax thereon. Such stamps shall be furnished to collectors requiring them, and collectors shall, if there be any cigar-manufacturers within their respective districts, keep on hand at all times a supply equal in amount to two months' sales thereof, and shall sell the same only to the cigar-manufacturers who have given bonds and paid the special tax, as required by law, in their districts, respectively, and to importers of cigars, who are required to affix the same to imported cigars in the custody of customs officers, and to persons required by law to affix the same to cigars on hand after the first day of April, eighteen hundred and sixty-nine. Every collector shall keep an account of the number, amount, and denominate values of the stamps sold by him to each cigar-manufacturer, and to other persons above described.

Inspection of cigars, &c.

Ibid., s. 81, p. 160.

SEC. 3396. The Commissioner of Internal Revenue may prescribe such regulations for the inspection of cigars, cheroots, and cigarettes, and the collection of the tax thereon, as he may deem most effective for the prevention of frauds in the payment of such tax.

Removal without properly boxing, stamping, or branding; using false stamps, &c.

Ibid., s. 89, p. 162.
6 June, 1872, c. 315, s. 31, v. 17, p. 255.

SEC. 3397. Whenever any cigars are removed from any manufactory, or place where cigars are made, without being packed in boxes as required by the provisions of this chapter, or without the proper stamp thereon denoting the tax, or without burning into each box with a branding-iron the number of the cigars contained therein, the name of the manufacturer, and the number of the district and the State, or without properly affixing thereon and canceling the stamp denoting the tax on the same, or are sold or offered for sale not properly boxed and stamped, they shall be forfeited to the United States. And every person who commits any of the above-described offenses shall be fined for each such offense not less than one hundred dollars nor more than one thousand dollars, and imprisoned not less than six months nor more than two years. And every person who packs cigars in any box bearing a false or fraudulent or counterfeit stamp, or who affixes to any box containing cigars a stamp in the similitude or likeness of any stamp required to be used by the laws of the United States, whether the same be a customs or internal-revenue stamp; or who buys, receives, or has in his possession any cigars on which the tax to which they are liable

has not been paid, or who removes or causes to be removed from any box any stamp denoting the tax on cigars, with intent to use the same, or who uses or permits any other person to use any stamp so removed, or who receives, buys, sells, gives away, or has in his possession any stamp so removed, or who makes any other fraudulent use of any stamp intended for cigars, or who removes from the place of manufacture any cigars not properly boxed and stamped as required by law, shall be deemed guilty of a felony, and shall be fined not less than one hundred dollars nor more than one thousand dollars, and imprisoned not less than six months nor more than three years.

SEC. 3398. The absence of the proper revenue-stamp on any box of cigars sold, or offered for sale, or kept for sale, shall be notice to all persons that the tax has not been paid thereon, and shall be prima-facie evidence of the non-payment thereof, and such cigars shall be forfeited to the United States.

SEC. 3399. Whenever cigars of any description are manufactured, in whole or in part, upon commission or shares, or the material is furnished by one party and manufactured by another, or the material is furnished or sold by one party with an understanding or agreement with another that the cigars are to be received in payment therefor, or for any part thereof, the stamps required by law shall be affixed by the actual maker before the cigars are removed from the place of manufacturing. And in case of fraud on the part of either of said parties in respect to said manufacture, or of any collusion on their part with intent to defraud the revenue, such material and cigars shall be forfeited to the United States; and every person engaged in such fraud or collusion shall be fined not less than one hundred dollars nor more than five thousand dollars, and imprisoned for not less than six months nor more than three years.

SEC. 3400. Every manufacturer of cigars who removes or sells any cigars without payment of the special tax as a cigar-manufacturer, or without having given bond as such, or without the proper stamps denoting the tax thereon; or who makes false or fraudulent entries of the manufacture or sale of any cigars; or makes false or fraudulent entries of the purchase or sale of leaf-tobacco, tobacco-stems, or other material used in the manufacture of cigars; or who affixes any false, forged, spurious, fraudulent, or counterfeit stamp, or imitation of any stamp, required by law to any box containing any cigars, shall, in addition to the penalties elsewhere provided in this Title for such offenses, forfeit to the United States all raw material and manufactured or partly manufactured tobacco and cigars, and all machinery, tools, implements, apparatus, fixtures, boxes, barrels, and all other materials which shall be found in his possession, or in his manufactory, and used in his business as such manufacturer, together with his estate or interest in the building or factory, and the lot or tract of ground on which such building or factory is located, and all appurtenances thereunto belonging.

SEC. 3401. Every person who sells or offers for sale any cigars, representing the same to have been manufactured and the tax paid thereon prior to July twenty, eighteen hundred and sixty-eight, when the same were not so manufactured and the tax was not so paid, shall be liable to a penalty of five hundred dollars for each offense, and shall be deemed guilty of a misdemeanor, and shall be fined not less than five hundred dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than three years.

SEC. 3402. All cigars imported from foreign countries shall pay, in addition to the import duties imposed thereon, the tax prescribed by law for cigars manufactured in the United States, and shall have the same stamps affixed. The stamps shall be affixed and canceled by the owner or importer of the cigars while they are in the custody of the proper custom-house officers, and the cigars shall not pass out of the custody of such officers until the stamps have been so affixed and canceled, but

Absence of stamps evidence of non-payment of tax.

20 July, 1868, c. 186, s. 90, v. 15, p. 163.

Cigars manufactured on shares, commission, or contract; how stamped; frauds.

Ibid., s. 91, p. 163.

Forfeiture of property for selling, &c., contrary to law, using false stamps, &c.

Ibid., s. 92, p. 163.

Falsely representing cigars to have been made prior to 20 July, 1868.

Ibid., s. 95, p. 164.

Imported cigars to pay tax; stamps, when and by whom affixed.

Ibid., s. 93, p. 163.

shall be put up in boxes containing quantities as prescribed in this chapter for cigars manufactured in the United States, before the stamps are affixed. And the owner or importer of such cigars shall be liable to all the penal provisions of this Title prescribed for manufacturers of cigars manufactured in the United States. Whenever it is necessary to take any cigars so imported to any place other than the public stores of the United States, for the purpose of affixing and canceling such stamps, the collector of customs of the port where such cigars are entered shall designate a bonded warehouse to which they shall be taken, under the control of such customs officer as such collector may direct. And every officer of customs who permits any such cigars to pass out of his custody or control, without compliance by the owner or importer thereof with the provisions of this section relating thereto, shall be deemed guilty of a misdemeanor, and shall be fined not less than one thousand dollars nor more than five thousand dollars, and imprisoned not less than six months nor more than three years. [See § 2804.]

Selling imported cigars not packed as required by law.

Ibid., s. 94, p. 164.

SEC. 3403. All cigars, of every description, on hand after the first day of April, eighteen hundred and sixty-nine, shall be taken to have been either manufactured or imported after the passage of the internal-revenue act of July twentieth, eighteen hundred and sixty-eight, and shall be stamped accordingly. Every person who sells or offers for sale any imported cigars, or cigars purporting or claimed to have been imported, not put up in packages and stamped as provided by this chapter, shall be fined not less than five hundred dollars nor more than five thousand dollars, and be imprisoned not less than six months nor more than two years.

Purchasing cigars not branded or stamped.

SEC. 3404. Every person who purchases or receives for sale any cigars which have not been branded or stamped according to law, shall be liable to a penalty of fifty dollars for each such offense.

13 July, 1866, c. 184, s. 9, v. 14, p. 126. 30 June, 1864, c. 173, s. 92, v. 13, p. 263. 20 July, 1868, c. 186, s. 89, v. 15, p. 162.

Buying cigars from a manufacturer who has not paid a special tax.

SEC. 3405. Every person who purchases or receives for sale any cigars from any manufacturer who has not paid the special tax shall be liable for each offense to a penalty of one hundred dollars, and to a forfeiture of all the said articles so purchased or received, or of the full value thereof.

13 July, 1866, c. 184, s. 9, v. 14, p. 126.
30 June, 1864, c. 173, s. 92, v. 13, p. 263.

Stamps on emptied cigar-boxes to be destroyed; penalty for neglect, &c.

SEC. 3406. Whenever any stamped box containing cigars, cheroots, or cigarettes, is emptied, it shall be the duty of the person in whose hands the same is to destroy utterly the stamps thereon. And any person who willfully neglects or refuses so to do shall, for each such offense, be fined not exceeding fifty dollars and imprisoned not less than ten days nor more than six months. And any person who fraudulently gives away or accepts from another, or who sells, buys, or uses for packing cigars, cheroots, or cigarettes, any such stamped box, shall for each such offense be fined not exceeding one hundred dollars and be imprisoned not more than one year. Any revenue officer may destroy any emptied cigar-box upon which a cigar-stamp is found.

6 June, 1872, c. 315, s. 33, v. 17, p. 255.

2 March, 1867, c. 169, s. 32, v. 14, p. 484.

20 July, 1868, c. 186, ss. 72, 89, v. 15, pp. 156, 162.

CHAPTER EIGHT

BANKS AND BANKERS.

<p>Sec. 3407. Definition of words "bank," "banker." 3408. Tax on deposits, capital, and circulation of banks and bankers. 3409. Taxes, when payable. 3410. Capital of banks expired or converted into national banks. 3411. Circulation when exempted from tax. 3412. Tax on notes of persons or State banks used as circulation, &c.</p>	<p>Sec. 3413. Tax on notes of town, city, or municipal corporations paid out by banks, &c. 3414. Banks' and bankers' monthly returns. 3415. In default of return, commissioner to estimate, &c., 3416. State banks converted into national banks; returns, how made. 3417. Provisions for bank-tax and returns not to apply to national banks.</p>
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SEC. 3407. Every incorporated or other bank, and every person, firm, or company having a place of business where credits are opened by the deposit or collection of money or currency, subject to be paid or remitted upon draft, check, or order, or where money is advanced or loaned on stocks, bonds, bullion, bills of exchange, or promissory notes, or where stocks, bonds, bullion, bills of exchange, or promissory notes are received for discount or for sale, shall be regarded as a bank or as a banker.

Definition of words "bank," "banker."

30 June, 1864, c. 173, s. 79, v. 13, p. 251.
13 July, 1866, c. 184, s. 9, v. 14, p. 115.

SEC. 3408. There shall be levied, collected, and paid, as hereafter provided:

Tax on deposits.

First. A tax of one twenty-fourth of one per centum each month upon the average amount of the deposits of money, subject to payment by check or draft, or represented by certificates of deposit or otherwise, whether payable on demand or at some future day, with any person, bank, association, company, or corporation, engaged in the business of banking;

30 June, 1864, c. 173, s. 110, v. 13, p. 277.
13 July, 1866, c. 184, s. 9, v. 14, pp. 137, 146.
6 June, 1872, c. 315, s. 37, v. 17, p. 625.

Oulton vs. Savings Institution, 17 Wall., 109.

Second. A tax of one twenty-fourth of one per centum each month upon the capital of any bank, association, company, corporation, and on the capital employed by any person in the business of banking beyond the average amount invested in United States bonds: *Provided*, That the words "capital employed" shall not include money borrowed or received from day to day, in the usual course of business, from any person not a partner of or interested in the said bank, association, or firm;

Tax on capital employed.

Ibid.

Third. A tax of one-twelfth of one per centum each month upon the average amount of circulation issued by any bank, association, corporation, company, or person, including as circulation all certified checks and all notes and other obligations calculated or intended to circulate or to be used as money, but not including that in the vault of the bank, or redeemed and on deposit for said bank; and an additional tax of one-sixth of one per centum each month upon the average amount of such circulation, issued as aforesaid, beyond the amount of ninety per centum of the capital of any such bank, association, corporation, company, or person.

Tax on circulation.

Ibid.

In the case of banks with branches, the tax herein provided shall be assessed upon the circulation of each branch severally, and the amount of capital of each branch shall be considered to be the amount allotted to it.

On circulation of branch banks.

Ibid.

The deposits in associations or companies known as provident institutions, savings-banks, savings-funds, or savings-institutions, having no capital stock and doing no other business than receiving deposits to be loaned or invested for the sole benefit of the parties making such deposits, without profit or compensation to the association or company, shall be exempt from tax on so much of their deposits as they have invested in securities of the United States, and on all deposits not exceeding two thousand dollars made in the name of any one person.

Exemptions on deposits in savings-banks.

Ibid.

Taxes, when payable.

6 June, 1872, c. 315, s. 37, v. 17, p. 256.

30 June, 1864, c.

Capital of banks expired or converted into national banks.

3 March, 1865, c. 78, s. 14, v. 13, p. 486.

13 July, 1866, c.

Circulation, when exempted from tax.

3 March, 1865, c. 78, s. 14, v. 13, p. 486.

13 July, 1866, c. 184, s. 9 *bis*, v. 14, p. 146.

Tax on notes of persons or State banks used as circulation, &c.

3 March, 1865, c. 78, s. 6, v. 13, p. 484.

13 July, 1866, c. 184, s. 9 *bis*, v. 14, p. 146.

Tax on notes of town, city, or municipal corporations, paid out by banks, &c.

Ibid.

Banks' and bankers' monthly returns.

30 June, 1864, c. 173, s. 110, v. 13, p. 278.

13 July, 1866, c. 184, s. 9, v. 14, p. 147.

26 March, 1867, c. 8, s. 2, v. 15, p. 6.

6 June, 1872, c. 315, s. 37, v. 17, p. 256.

24 Dec., 1872, c. 13, s. 5, v. 17, p. 403.

In default of return, commissioner to estimate, &c.

30 June, 1864, c. 173, s. 110, v. 13, p. 278.

13 July, 1866, c. 184, s. 9, v. 14, p. 146.

24 Dec., 1872, c. 13, s. 2, v. 17, p. 402.

State banks converted into national banks; returns, how made.

SEC. 3409. The taxes provided in the preceding section shall be paid semi-annually, on the first day of January and the first day of July; but the same shall be calculated at the rate per month as prescribed by said section, so that the tax for six months shall not be less than the aggregate would be if such taxes were collected monthly.

173, s. 110, v. 13, p. 277. 13 July, 1866, c. 184, s. 9, v. 14, p. 146.

SEC. 3410. The capital of any State bank or banking association which has ceased or shall cease to exist, or which has been or shall be converted into a national bank, shall be assumed to be the capital as it existed immediately before such bank ceased to exist or was converted as aforesaid.

184, s. 9 *bis*, v. 14, p. 146.

SEC. 3411. Whenever the outstanding circulation of any bank, association, corporation, company, or person is reduced to an amount not exceeding five per centum of the chartered or declared capital existing at the time the same was issued, said circulation shall be free from taxation; and whenever any bank which has ceased to issue notes for circulation deposits in the Treasury of the United States, in lawful money, the amount of its outstanding circulation, to be redeemed at par, under such regulations as the Secretary of the Treasury shall prescribe, it shall be exempt from any tax upon such circulation.

SEC. 3412. Every national banking association, State bank, or State banking association, shall pay a tax of ten per centum on the amount of notes of any person, or of any State bank or State banking association, used for circulation and paid out by them.

13 July, 1866, c. 184, s. 9 *bis*, v. 14, p. 146. 26

March, 1867, c. 8, s. 2, v. 15, p. 6.—*Veazie Bank vs. Fenno*, 8 Wall., 533.

SEC. 3413. Every national banking association, State bank, or banker, or association, shall pay a tax of ten per centum on the amount of notes of any town, city, or municipal corporation, paid out by them.

SEC. 3414. A true and complete return of the monthly amount of circulation, of deposits, and of capital, as aforesaid, and of the monthly amount of notes of persons, town, city, or municipal corporation, State banks, or State banking associations paid out as aforesaid for the previous six months, shall be made and rendered in duplicate on the first day of December and the first day of June, by each of such banks, associations, corporations, companies, or persons, with a declaration annexed thereto, under the oath of such person, or of the president or cashier of such bank, association, corporation, or company, in such form and manner as may be prescribed by the Commissioner of Internal Revenue, that the same contains a true and faithful statement of the amounts subject to tax, as aforesaid; and one copy shall be transmitted to the collector of the district in which any such bank, association, corporation, or company is situated, or in which such person has his place of business, and one copy to the Commissioner of Internal Revenue.

SEC. 3415. In default of the returns provided in the preceding section, the amount of circulation, deposit, capital, and notes of persons, town, city, and municipal corporations, State banks, and State banking associations paid out, as aforesaid, shall be estimated by the Commissioner of Internal Revenue, upon the best information he can obtain. And for any refusal or neglect to make return and payment, any such bank, association, corporation, company, or person so in default shall pay a penalty of two hundred dollars, besides the additional penalty and forfeitures provided in other cases.

SEC. 3416. Whenever any State bank or banking association has been converted into a national banking association, and such national banking association has assumed the liabilities of such State bank or banking association, including the redemption of its bills, by any agreement or

understanding whatever with the representatives of such State bank or banking association, such national banking association shall be held to make the required return and payment on the circulation outstanding, so long as such circulation shall exceed five per centum of the capital before such conversion of such State bank or banking association.

SEC. 3417. The provisions of this chapter, relating to the tax on the deposits, capital, and circulation of banks, and to their returns, except as contained in sections thirty-four hundred and ten, thirty-four hundred and eleven, thirty-four hundred and twelve, and thirty-four hundred and sixteen, and such parts of sections thirty-four hundred and fourteen, and thirty-four hundred and fifteen as relate to the tax of ten per centum on certain notes, shall not apply to associations which are taxed under and by virtue of Title "NATIONAL BANKS."

3 March, 1865, c. 78, s. 14, v. 13, p. 486.

13 July, 1866, c. 184, s. 9 *bis*, v. 14, p. 146.

Provisions for bank tax and returns not to apply to national banks.

30 June, 1864, c. 173, s. 110, v. 13, p. 278.

13 July, 1866, c. 184, s. 9, v. 14, p. 146.

CHAPTER NINE.

STAMP-TAXES ON SPECIFIC OBJECTS.

Sec.
3418. Tax on bank-checks.
3419. Tax on medicines or preparations, perfumery, cosmetics, &c.
3420. Official checks exempt.
3421. Unstamped checks not admitted in evidence.
3422. Omission to stamp bank-checks, &c.; penalties and remedies.
3423. Cancellation of stamps; proprietary stamps; penalties.
3424. Method of cancellation.
3425. Stamps, how supplied.
3426. Replacement of spoiled stamps, &c.
3427. Stamps furnished to certain officers for sale.
3428. Regulations as to disposal and safe-keeping of stamps.
3429. Forging, counterfeiting, &c., or fraudulently using or selling stamps, &c.; penalties.

Sec.
3430. Selling, or removing articles for sale, without affixing stamps; penalty.
3431. Removing stamps from articles in schedule; penalty.
3432. Selling articles in schedule without affixing stamps; penalty.
3433. Articles in schedule, intended for exportation, to be manufactured in bonded warehouses.
3434. Removal in bond to Pacific coast for exportation.
3435. Persons offering for sale articles in schedule, deemed manufacturers.
3436. Medicines compounded according to pharmacopœias exempt.
3437. Assessment of unpaid taxes payable by stamps.
Schedule A.

SEC. 3418. There shall be levied, collected, and paid for and in respect of every bank-check, draft, or order for the payment of money, drawn upon any bank, banker, or trust company, at sight or on demand, by any person who makes, signs, or issues the same, or for whose use or benefit the same is made, signed, or issued, two cents.

Tax on bank-checks.

30 June, 1864, c. 173, s. 151, v. 13, pp. 291, 298.

6 June, 1872, c. 315, s. 36, v. 17, p. 256.

SEC. 3419. There shall be levied, collected, and paid on the articles mentioned in Schedule A, and in the manner hereinafter provided, the taxes mentioned in said schedule; and all the provisions of this chapter relating to dies, stamps, adhesive stamps, and stamped duties, shall extend to and include (except where otherwise provided for, or manifestly impracticable) all the articles or objects enumerated in schedule marked A, subject to stamp duties, and shall apply to the provisions in relation thereto.

Tax on medicines or preparations, perfumery, cosmetics, &c.

30 June, 1864, c. 173, s. 168, v. 13, pp. 296, 301.

13 July, 1866, c. 184, s. 9, v. 14, p. 146.

146. 5 March, 1872, c. 33, v. 17, p. 36.

SEC. 3420. All bank-checks, drafts, or orders, as aforesaid, issued by the officers of the United States Government, or by officers of any State, county, town, or other municipal corporation, are exempt from taxation: *Provided*, That it is the intent hereby to exempt from liability to taxation such State, county, town, or other municipal corporations in the exercise only of functions strictly belonging to them in their ordinary governmental and municipal capacity.

Official checks exempt.

13 July, 1866, c. 184, s. 9, v. 14, p. 141.

30 June, 1864, c. 173, s. 154, v. 13, p. 292.

Unstamped checks not admitted in evidence.

13 July, 1866, c. 184, s. 9, v. 14, p. 143.

30 June, 1864, c. 173, s. 163, v. 13, p. 295.

Omission to stamp bank-checks, &c.; penalties and remedies.

13 July, 1866, c. 184, s. 9, v. 14, p. 142.

30 June, 1864, c. 173, s. 158, v. 13, p. 293.

14 July, 1870, c. 255, s. 5, v. 16, p. 257.

Stamps to be canceled; proprietary stamps; penalty for their fraudulent use.

30 June, 1864, c. 173, ss. 153, 156, 165, v. 13, pp. 292, 293, 296.

13 July, 1866, c. 184, s. 9, v. 14, pp. 141, 144.

SEC. 3421. No bank-check, draft, or order, required by law to be stamped, which is issued without being duly stamped, nor any copy thereof, shall be admitted or used in evidence in any court until a legal stamp, denoting the amount of tax, is affixed thereto, as prescribed by law. And it shall not be lawful to record any instrument, document, or paper required by law at the time of its issue to be stamped, unless a stamp or stamps of the proper amount shall have been affixed, and canceled in the manner required by law; and the record of any such instrument, upon which the proper stamp or stamps aforesaid shall not have been duly affixed and canceled, shall be utterly void and shall not be used in evidence.

SEC. 3422. Any person or persons who shall make, sign, or issue, or who shall cause to be made, signed, or issued, any instrument, document, or paper of any kind or description whatsoever, or shall accept, negotiate, or pay, or cause to be accepted, negotiated, or paid, any draft, or order, for the payment of money, without the same being duly stamped, or having thereupon an adhesive stamp for denoting the tax chargeable thereon, and canceled in the manner required by law, with intent to evade the provisions of this Title, shall, for every such offense, forfeit the sum of fifty dollars, and such instrument, document, or paper, draft, order, not being stamped according to law, shall be deemed invalid and of no effect: *Provided*, That hereafter, in all cases where the party has not affixed to any instrument the stamp required by law thereon, at the time of making or issuing the said instrument, and he or they, or any party having an interest therein, shall be subsequently desirous of affixing such stamp to said instrument, or if said instrument be lost, to a copy thereof, he or they shall appear before the collector of the revenue of the proper district, who shall, upon the payment of the price of the proper stamp required by law, and of a penalty of double the amount of tax remaining unpaid, but in no case less than five dollars, and where the whole amount of the tax denoted by the stamp required shall exceed the sum of fifty dollars, on payment also of interest, at the rate of six per centum on said tax from the day on which such stamp ought to have been affixed, affix the proper stamp to such instrument or copy, and note upon the margin thereof the date of his so doing, and the fact that such penalty has been paid; and the same shall thereupon be deemed and held to be as valid, to all intents and purposes, as if stamped when made or issued. And when the original instrument, or a certified or duly proved copy thereof, as aforesaid, duly stamped so as to entitle the same to be recorded, shall be presented to the clerk, register, recorder, or other officer having charge of the original record, it shall be lawful for such officer, upon the payment of the fee legally chargeable for the recording thereof, to make a new record thereof, or to note upon the original record the fact that the error or omission in the stamping of said original instrument, has been corrected pursuant to law; and the original instrument, or such certified copy of the record thereof may be used in all courts and places in the same manner and with like effect as if the instrument had been originally stamped. But no right acquired in good faith before the stamping of such instrument or copy thereof, and the recording thereof, as herein provided, if such record be required by law, shall in any manner be affected by such stamping as aforesaid.

SEC. 3423. In all cases where an adhesive stamp is used for denoting any tax imposed under this chapter, except as hereinafter provided, the person using or affixing the same shall write thereon the initials of his name and the date on which such stamp is attached or used, so that it may not again be used. And every person who fraudulently makes use of an adhesive stamp to denote any tax imposed by this chapter without so effectually canceling and obliterating such stamp, except as before mentioned, shall forfeit the sum of fifty dollars: *Provided*, That any proprietor of proprietary articles, or articles subject to stamp-tax under Schedule A, shall have the privilege of furnishing, without expense to

the United States, in suitable form, to be approved by the Commissioner of Internal Revenue, his own dies or designs for stamps to be used thereon, which shall be made under the direction and retained in the possession of the said Commissioner, for the separate use of such proprietor, and shall not be duplicated to any other person; and that in all cases where such stamp is used, instead of said proprietor writing the date thereon, the said stamp shall be so affixed on the box, bottle, or package, that in opening the same, or using the contents thereof, the said stamp will be effectually destroyed; and, in default thereof, such proprietor shall be liable to a penalty of fifty dollars. And every person who fraudulently obtains or uses any of the aforesaid stamps, or designs therefor, or who forges or counterfeits, or causes or procures to be forged or counterfeited, any representation or similitude, or colorable imitation of the said last-mentioned stamp, or any engraver or printer who sells or gives away said stamps, or selling the same, or, being a merchant, broker, peddler, or person dealing, in whole or in part, in similar goods, wares, merchandise, manufactures, preparations, or articles, or those designed for similar objects or purposes, has knowingly or fraudulently in his possession any such forged, counterfeited likeness, similitude, or colorable imitation of the said last-mentioned stamp, shall forfeit the said stamps and the articles upon which they are placed, shall be deemed guilty of felony, and be punished by a fine not exceeding one thousand dollars, or by imprisonment and confinement to hard labor not exceeding five years, or both, at the discretion of the court.

SEC. 3424. The Commissioner of Internal Revenue is authorized to prescribe such method for the cancellation of stamps as substitute for, or in addition to the method prescribed in this chapter, as he may deem expedient and effectual. And he is authorized, in his discretion, to make the application of such method imperative upon the manufacturers of proprietary articles, or articles included in Schedule A.

SEC. 3425. The Commissioner of Internal Revenue is authorized to sell and supply to collectors, deputy-collectors, postmasters, stationers, or any other persons, at his discretion, adhesive stamps, or stamped paper, as herein provided for, in amounts of not less than fifty dollars, upon the payment, at the time of delivery, of the amount of duties said stamps or stamped paper, so sold or supplied, represent, and may allow, upon the aggregate amount of such stamps, the sum of not exceeding five per centum as commission to such purchasers; but the cost of any paper shall be paid by the purchaser of such stamped paper. The proprietor of articles named in Schedule A, who furnishes his own die or design for stamps to be used especially for his own proprietary articles, shall be allowed the following commissions: On amounts purchased at one time of not less than fifty dollars nor more than five hundred dollars, five per centum; and on amounts over five hundred dollars, ten per centum on the whole amount purchased: *Provided*, That the Commissioner may, from time to time, deliver to any manufacturer of friction or other matches, cigar-lights, or wax-tapers, a suitable quantity of adhesive or other stamps, such as may be prescribed for use in such cases, without prepayment therefor, on a credit not exceeding sixty days, requiring, in advance, such security as he may judge necessary to secure payment therefor to the Treasurer of the United States, within the time prescribed for such payment. And upon all bonds or other securities taken by said Commissioner, under the provisions of this chapter, suits may be maintained by said Treasurer in the circuit or district court of the United States, in the several districts where any of the persons giving said bonds or other securities reside or may be found, in any appropriate form of action.

SEC. 3426. The Commissioner of Internal Revenue may, from time to time, make regulations, upon proper evidence of the facts, for the allowance of such of the stamps issued under the provisions of this chapter, or any internal revenue act, as may have been spoiled, destroyed, or rendered useless or unfit for the purpose intended, or for which the

14 July, 1870, c. 255, s. 4, v. 16, p. 257.

Method of cancellation.

30 June, 1864, c. 173, s. 157, v. 13, p. 293.

Stamps, how supplied.

30 June, 1864, c. 173, s. 161, v. 13, p. 294.

14 July, 1870, c. 255, s. 4, v. 16, p. 257.

Replacement of spoiled stamps, &c.

30 June, 1864, c. 173, s. 161, v. 13, p. 294.

owner may have no use, or which through mistake may have been improperly or unnecessarily used, or where the rates or duties represented thereby have been paid in error, or remitted; and such allowance shall be made either by giving other stamps in lieu of the stamps so allowed for, or by repaying the amount or value, after deducting therefrom, in case of repayment, the sum of five per centum to the owner thereof; but no allowance shall be made in any case until the stamps so spoiled or rendered useless shall have been returned to the Commissioner of Internal Revenue, or until satisfactory proof has been made showing the reason why said stamps cannot be so returned.

Stamps furnished to certain officers for sale.

30 June, 1864, c. 173, s. 170, v. 13, p. 297.

SEC. 3427. In any collection-district where, in the judgment of the Commissioner of Internal Revenue, the facilities for the procurement and distribution of stamped paper and adhesive stamps, as provided in this chapter, are insufficient, the Commissioner is authorized to supply to collectors, assistant treasurers of the United States, designated depositaries, and postmasters, without prepayment therefor, suitable quantities of stamped paper, as aforesaid, and of adhesive stamps, as required by this chapter; and he may in advance require of any such person a bond, with sufficient sureties, in an amount equal to the value of any such stamped paper or stamps which may be placed in his hands and remain unaccounted for, conditioned for the faithful return of all quantities or amounts undisposed of, and for the payment, monthly, of all quantities or amounts sold or not remaining on hand. And he shall allow to such persons the highest rates of commissions allowed to any other parties purchasing such stamped paper or stamps. It shall be the duty of such collector to supply his deputies with, or to sell to other parties within his district who may apply therefor, such stamped paper and adhesive stamps, upon the same terms allowed by law, or under the regulations of the said Commissioner.

Regulations as to disposal and safe-keeping of stamps.

30 June, 1864, c. 173, s. 170, v. 13, p. 298.

SEC. 3428. The Commissioner of Internal Revenue is authorized to make such regulations, not inconsistent herewith, for the security of the United States and the better accommodation of the public, in relation to the matters provided in the preceding section, as he may deem necessary and expedient. And the Secretary of the Treasury may, from time to time, make such regulations as he may find necessary to insure the safe-keeping or to prevent the illegal use of all such stamped paper and adhesive stamps.

Forging, counterfeiting, &c., or fraudulently using or selling stamps, &c.

13 July, 1866, c. 184, s. 9, v. 14, p. 141.

30 June, 1864, c. 173, s. 155, v. 13, p. 292.

10 April, 1869, c. 18, s. 2, v. 16, p. 43.

SEC. 3429. If any person shall forge or counterfeit, or cause or procure to be forged or counterfeited, any stamp, die, plate, or other instrument, or any part of any stamp, die, plate, or other instrument, which shall have been provided, or may hereafter be provided, made, or used in pursuance of the provisions of this chapter, or of any previous provisions of law on the same subjects, or shall forge, counterfeit, or resemble, or cause or procure to be forged, counterfeited, or resembled, the impression, or any part of the impression, of any such stamp, die, plate, or other instrument as aforesaid, upon any paper, or shall stamp or mark, or cause or procure to be stamped or marked, any paper, with any such forged or counterfeited stamp, die, plate, or other instrument, or part of any stamp, die, plate or other instrument, as aforesaid, with intent to defraud the United States of any of the taxes hereby imposed, or any part thereof; or if any person shall utter, or sell, or expose to sale, any paper, article, or thing, having thereupon the impression of any such counterfeited stamp, die, plate, or other instrument, or any part of any stamp, die, plate, or other instrument, or any such forged, counterfeited, or resembled impression, or part of impression, as aforesaid, knowing the same to be forged, counterfeited, or resembled; or if any person shall knowingly use or permit the use of any stamp, die, plate, or other instrument which shall have been so provided, made, or used, as aforesaid, with intent to defraud the United States; or if any person shall fraudulently cut, tear, or remove, or cause or procure to be cut, torn, or removed, the impression of any stamp, die, plate, or other instrument, which shall have been provided, made, or used, in pursuance

of this chapter, or of any previous provisions of law on the same subjects, from any paper, or any instrument or writing charged or chargeable with any of the taxes imposed by law; or if any person shall fraudulently use, join, fix or place, or cause to be used, joined, fixed, or placed to, with, or upon any paper, or any instrument or writing charged or chargeable with any of the taxes hereby imposed, any adhesive stamp, or the impression of any stamp, die, plate, or other instrument, which shall have been provided, made, or used in pursuance of law, and which shall have been cut, torn, or removed from any other paper, or any instrument or writing charged or chargeable with any of the taxes imposed by law; or if any person shall willfully remove or cause to be removed, alter or cause to be altered, the canceling or defacing marks on any adhesive stamp, with intent to use the same, or to cause the use of the same, after it shall have been once used, or shall knowingly or willfully sell or buy such washed or restored stamps, or offer the same for sale, or give or expose the same to any person for use, or knowingly use the same, or prepare the same with intent for the further use thereof; or if any person shall knowingly and without lawful excuse (the proof whereof shall lie on the person accused) have in his possession any washed, restored, or altered stamps, which have been removed from any paper, instrument, or writing, then, and in every such case, every person so offending, and every person knowingly and willfully aiding, abetting, or assisting in committing any such offense as aforesaid, shall, on conviction thereof, forfeit the said counterfeit stamps and the articles upon which they are placed, and be punished by fine not exceeding one thousand dollars, or by imprisonment and confinement to hard labor not exceeding five years, or both, at the discretion of the court. And the fact that any adhesive stamp so bought, sold, offered for sale, used, or had in possession as aforesaid, has been washed or restored by removing or altering the canceling or defacing marks thereon, shall be prima-facie proof that such stamp has been once used and removed by the possessor thereof from some paper, instrument, or writing, charged with taxes imposed by law, in violation of the provisions of this section.

SEC. 3430. Whenever any person makes, prepares, and sells, or removes for consumption or sale, drugs, medicines, preparations, compositions, articles, or things, including perfumery, cosmetics, lucifer or friction-matches, cigar-lights, wax-tapers, and playing-cards, whether of domestic manufacture or imported, upon which a tax is imposed by law, as enumerated and mentioned in Schedule A, without affixing thereto an adhesive stamp or label denoting the tax before mentioned, he shall incur a penalty of fifty dollars for every omission to affix such stamp: *Provided*, That lucifer or friction matches and cigar-lights and wax-tapers may be removed from the place of manufacture for export to a foreign country, without payment of tax or affixing stamps thereto, under such regulations as the Commissioner of Internal Revenue may prescribe.

SEC. 3431. Every manufacturer or maker of any of the articles for sale mentioned in Schedule A, who, after the same are so made, and the particulars hereinbefore required as to stamps have been complied with, takes off, removes, or detaches, or causes, or permits, or suffers to be taken off, or removed, or detached, any stamp, or who uses any stamp, or any wrapper or cover to which any stamp is affixed, to cover any other article or commodity than that originally contained in such wrapper or cover, with such stamp when first used; with the intent to evade the stamp-duties, shall, for every such article, respectively, in respect of which any such offense is committed, be subject to a penalty of fifty dollars, to be recovered together with the costs thereupon accruing; and every such article or commodity as aforesaid shall also be forfeited.

SEC. 3432. Every maker or manufacturer of any of the articles or commodities mentioned in Schedule A, who, to evade the duty chargeable thereon, or any part thereof, sells, exposes for sale, sends out, removes, or delivers any article or commodity, manufactured as afore-

Selling or removing articles for sale without affixing stamps; penalty.

13 July, 1866, c. 184, s. 9, v. 14, p. 144.

30 June, 1864, c. 173, s. 163, v. 13, p. 296.

14 July, 1870, c. 255, s. 4, v. 16, p. 257.

14 July, 1870, c. 259, v. 16, pp. 24, 275.

Removing stamps from articles in schedule; penalty.

30 June, 1864, c. 173, s. 166, v. 13, p. 296.

Selling articles in Schedule A without affixing stamp; penalty.

30 June, 1864, c. 173, s. 167, v. 13, p. 296.

3 March, 1865, c. 78, s. 1, v. 13, p. 482.

Articles in schedule intended for exportation, to be manufactured in bonded warehouses.

30 June, 1864, c. 173, s. 162, v. 13, p. 296.

3 March, 1865, c. 78, s. 1, v. 13, p. 482.

said, before the duty thereon has been fully paid, by affixing thereon the proper stamp, as provided by law, or who to evade as aforesaid hides or conceals, or causes to be hidden or concealed, or removes or conveys away, or deposits, or causes to be removed or conveyed away from or deposited in any place, any such article or commodity, shall be subject to a penalty of one hundred dollars, together with the forfeiture of any such article or commodity.

SEC. 3433. All medicines, preparations, compositions, perfumery, cosmetics, cordials, and other liquors manufactured wholly or in part of domestic spirits, intended for exportation, as provided by law, in order to be manufactured and sold or removed, without being charged with duty, and without having a stamp affixed thereto, shall, under such regulations as the Secretary of the Treasury may prescribe, be made and manufactured in warehouses similarly constructed to those known and designated in Treasury regulations as bonded warehouses, class two: *Provided*, That such manufacturer shall first give satisfactory bonds to the collector of internal revenue for the faithful observance of all the provisions of law and the regulations as aforesaid, in amount not less than half of that required by the regulations of the Secretary of the Treasury from persons allowed bonded warehouses. Such goods, when manufactured in such warehouses, may be removed for exportation, under the direction of the proper officer having charge thereof, who shall be designated by the Secretary of the Treasury, without being charged with duty, and without having a stamp affixed thereto. Any manufacturer of the articles aforesaid, or of any of them, having such bonded warehouse as aforesaid, shall be at liberty, under such regulations as the Secretary of the Treasury may prescribe, to convey therein any materials to be used in such manufacture which are allowed by the provisions of law to be exported free from tax or duty, as well as the necessary materials, implements, packages, vessels, brands, and labels for the preparation, putting up, and export of the said manufactured articles; and every article so used shall be exempt from the payment of stamp and excise duty by such manufacturer. Articles and materials so to be used may be transferred from any bonded warehouse in which the same may be, under such regulations as the Secretary of the Treasury may prescribe, into any bonded warehouse in which such manufacture may be conducted, and may be used in such manufacture, and when so used shall be exempt from stamp and excise duty; and the receipt of the officer in charge, as aforesaid, shall be received as a voucher for the manufacture of such articles. Any materials imported into the United States may, under such rules as the Secretary of the Treasury may prescribe, and under the direction of the proper officer, be removed in original packages from on shipboard, or from the bonded warehouse in which the same may be, into the bonded warehouse in which such manufacture may be carried on, for the purpose of being used in such manufacture, without payment of duties thereon, and may there be used in such manufacture. No article so removed, nor any article manufactured in said bonded warehouse, shall be taken therefrom except for exportation, under the direction of the proper officer having charge thereof, as aforesaid, whose certificate, describing the articles by their marks, or otherwise, the quantity, the date of importation, and name of vessel, with such additional particulars as may from time to time be required, shall be received by the collector of customs in cancellation of the bonds, or return of the amount of foreign import duties. All labor performed and services rendered under these regulations shall be under the supervision of an officer of the customs, and at the expense of the manufacturer.

Removal in bond to Pacific coast for exportation.

13 July, 1866, c. 184, s. 28, v. 14, p. 155.

SEC. 3434. Any article manufactured in a bonded warehouse established under the preceding section, and situated in any of the Atlantic States, may be removed therefrom for transportation to a customs bonded warehouse at any port on the Pacific coast of the United States, for the purpose only of being exported therefrom, under such regulations and upon the execution of such bonds or other security as the Secretary of the Treasury may prescribe.

SEC. 3435. Every person who offers or exposes for sale any of the articles named in Schedule A, whether the articles so offered or exposed are of foreign manufacture and imported or are of domestic manufacture, shall be deemed the manufacturer thereof, and subject to all the duties, liabilities, and penalties imposed by law in regard to the sale of domestic articles without the use of the proper stamps denoting the tax paid thereon, and all such articles of foreign manufacture shall, in addition to the import duties imposed on the same, be subject to the stamp-tax, respectively, prescribed in said schedule.

SEC. 3436. No stamp-tax shall be imposed upon any uncompounded medicinal drug or chemical; nor upon any medicine compounded according to the United States or other national pharmacopœia, or of which the full and proper formula is published in any of the dispensaries now or hitherto in common use among physicians or apothecaries, or in any pharmaceutical journal now issued by any incorporated college of pharmacy, when not sold or offered for sale, or advertised under any other name, form, or guise than that under which they may be severally denominated and laid down in said pharmacopœias, dispensaries, or journals as aforesaid; nor upon medicines sold to or for the use of any person, which may be mixed and compounded for said person according to the written receipt or prescription of any physician or surgeon. But nothing in this section shall be construed to exempt from stamp-tax any medicinal articles, whether simple or compounded by any rule, authority, or formula, published or unpublished, which are put up in a style or manner similar to that of patent or proprietary medicines in general, or advertised in newspapers or by public handbills for popular sale and use, as having any special proprietary claim to merit, or to any peculiar advantage in mode of preparation, quality, use, or effect, whether such claim be real or pretended.

SEC. 3437. Whenever any article upon which a tax is required to be paid by means of a stamp is sold or removed for sale by the manufacturer thereof, without the use of the proper stamp, in addition to the penalties imposed by law for such sale or removal, it shall be the duty of the Commissioner of Internal Revenue, within a period of not more than two years after such removal or sale, upon such information as he can obtain, to estimate the amount of the tax which has been omitted to be paid, and to make an assessment therefor upon the manufacturer or producer of such article. He shall certify such assessment to the collector, who shall immediately demand payment of such tax, and, upon the neglect or refusal of payment by such manufacturer or producer, shall proceed to collect the same in the manner provided for the collection of other assessed taxes.

SCHEDULE A.

MEDICINES OR PREPARATIONS.

For and upon every packet, box, bottle, pot, phial, or other inclosure, containing any pills, powders, tinctures, troches, lozenges, sirups, cordials, bitters, anodynes, tonics, plasters, liniments, salves, ointments, pastes, drops, waters, essences, spirits, oils, or other medicinal preparations or compositions whatsoever, made and sold, or removed for consumption and sale, by any person or persons whatever, wherein the person making or preparing the same has or claims to have any private formula, or occult secret, or art for the making or preparing the same, or has or claims to have any exclusive right or title to the making or preparing the same, or which are prepared, uttered, vended, or exposed for sale under any letters-patent, or held out or recommended to the public by the makers, vendors, or proprietors thereof as proprietary medicines, or as remedies or specifics for any disease, diseases, or affections whatever affecting the human or animal body, as follows:

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall not exceed, at retail price or value, the sum of twenty-five cents, one cent.

Persons offering for sale articles in schedule deemed manufacturers.

13 July, 1866, c. 184, s. 9, v. 14, p. 144.

30 June, 1864, c. 173, s. 169, v. 13, p. 297.

6 June, 1872, c. 315, s. 34, v. 17, p. 255.

Medicines compounded according to pharmacopœias empt.

13 July, 1866, c. 184, s. 13, v. 14, p. 151.

Assessment of unpaid taxes payable by stamps.

2 March, 1867, c. 169, s. 5, v. 14, p. 472.

6 June, 1872, c. 315, s. 31, v. 17, p. 252.

24 Dec., 1873, c. 13, s. 7, v. 17, p. 403.

Schedule A.

Medicines or preparations.

30 June, 1864, c. 173, s. 170, v. 13, pp. 301, 302.

13 July, 1866, c. 184, s. 9, v. 14, p. 145.

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall exceed the retail price or value of twenty-five cents, and not exceed the retail price or value of fifty cents, two cents.

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall exceed the retail price or value of fifty cents, and shall not exceed the retail price or value of seventy-five cents, three cents.

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall exceed the retail price or value of seventy-five cents, and shall not exceed the retail price or value of one dollar, four cents.

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall exceed the retail price or value of one dollar, for each and every fifty cents or fractional part thereof over and above the one dollar, as before mentioned, an additional two cents.

Perfumery, cosmetics, &c.

PERFUMERY AND COSMETICS, ETC.

For and upon every packet, box, bottle, pot, phial, or other inclosure, containing any essence, extract, toilet-water, cosmetic, hair-oil, pomade, hair-dressing, hair-restorative, hair-dye, tooth-wash, dentifrice, tooth-paste, aromatic cachous, or any similar articles, by whatsoever name the same heretofore have been, now are, or may hereafter be called, known or distinguished, used or applied, or to be used or applied as perfumes or applications to the hair, month, or skin, made, prepared, and sold or removed for consumption and sale in the United States, where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall not exceed, at the retail price or value, the sum of twenty-five cents, one cent.

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall exceed the retail price or value of twenty-five cents, and shall not exceed the retail price or value of fifty cents, two cents.

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall exceed the retail price or value of fifty cents, and shall not exceed the retail price or value of seventy-five cents, three cents.

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall exceed the retail price or value of seventy-five cents, and shall not exceed the retail price or value of one dollar, four cents.

Where such packet, box, bottle, pot, phial, or other inclosure, with its contents, shall exceed the retail price or value of one dollar, for each and every fifty cents or fractional part thereof over and above the one dollar, as before mentioned, an additional two cents.

Friction-matches, or lucifer-matches, or other articles made in part of wood, and used for like purposes, in parcels or packages containing one hundred matches or less, for each parcel or package, one cent.

When in parcels or packages containing more than one hundred and not more than two hundred matches, for each parcel or package, two cents.

And for every additional one hundred matches or fractional part thereof, one cent.

For wax-tapers, double the rates herein imposed upon friction or lucifer-matches; on cigar-lights, made in part of wood, wax, glass, paper, or other materials, in parcels or packages containing twenty-five lights or less in each parcel or package, one cent.

When in parcels or packages containing more than twenty-five and not more than fifty lights, two cents.

For every additional twenty-five lights or fractional part of that number, one cent additional.

Playing-cards.

PLAYING-CARDS.

For and upon every pack not exceeding fifty-two cards in number, irrespective of price or value, five cents.

CHAPTER TEN.

LEGACIES AND SUCCESSIONS.

Sec.

3438. Tax on legacies, &c.

3439. Tax on successions.

Sec.

3440. Assessment and collection of legacy and succession taxes.

SEC. 3438. There shall be paid to the United States, in respect of every legacy or distributive share arising from personal property, and of any personal property or interest therein, which is now subject to tax or duty under the provisions of acts in force prior to the first day of October, eighteen hundred and seventy, a duty or tax as follows, that is to say:

First. Where the person or persons entitled to any beneficial interest in such property shall be the lineal issue or lineal ancestor, brother or sister, to the person who died possessed of such property as aforesaid, at the rate of one dollar for each and every hundred dollars of the clear value of such interest in such property.

Second. Where the person or persons entitled to any beneficial interest in such property shall be a descendant of a brother or sister of the person who died possessed, as aforesaid, at the rate of two dollars for each and every hundred dollars of the clear value of such interest.

Third. Where the person or persons entitled to any beneficial interest in such property shall be a brother or sister of the father or mother, or a descendant of a brother or sister of the father or mother, of the person who died possessed, as aforesaid, at the rate of four dollars for each and every hundred dollars of the clear value of such interest.

Fourth. Where the person or persons entitled to any beneficial interest in such property shall be a brother or sister of the grandfather or grandmother, or a descendant of the brother or sister of the grandfather or grandmother, of the person who died possessed, as aforesaid, at the rate of five dollars for each and every hundred dollars of the clear value of such interest.

Fifth. Where the person or persons entitled to any beneficial interest in such property shall be in any other degree of collateral consanguinity than is hereinbefore stated, or shall be a stranger in blood to the person who died possessed, as aforesaid, or shall be a body politic or corporate, at the rate of six dollars for each and every hundred dollars of the clear value of such interest: *Provided*, That all legacies or property passing by will, or by the laws of any State or Territory, to husband or wife of the person who died possessed, as aforesaid, shall be exempt from tax or duty: *And provided further*, That any legacy or share of personal property passing, as aforesaid, to a minor child of the person who died possessed, as aforesaid, shall be exempt from taxation under this section, unless such legacy or share exceeds the sum of one thousand dollars, in which case the excess only above that sum shall be liable to such taxation.

SEC. 3439. There shall be levied and paid to the United States in respect of every succession which is now subject to tax under the provisions of acts in force, prior to the first day of October, eighteen hundred and seventy, according to the value thereof, the following duties, that is to say:

Where the successor shall be the lineal issue or lineal ancestor of the predecessor, a duty at the rate of one dollar per centum upon such value.

Where the successor shall be a brother or sister, or a descendant of a brother or sister of the predecessor, a duty at the rate of two dollars per centum upon such value.

Tax on legacies,
&c.30 June, 1864, c.
173, s. 124, v. 13, p.
285.13 July, 1866, c.
184, s. 9, v. 14, p.
140.14 July, 1870, c.
255, ss. 3, 27, v. 16,
pp. 256, 269.24 Dec., 1872, c.
13, s. 2, v. 17, p. 402.Tax on succes-
sions.30 June, 1864, c.
173, s. 133, v. 13, pp.
288, 289.14 July, 1870, c.
255, ss. 3, 27, v. 16,
pp. 261, 269.24 Dec., 1872, c.
13, s. 2, v. 17, p. 402.

Where the successor shall be a brother or sister of the father or mother, or a descendant of a brother or sister of the father or mother of the predecessor, a duty at the rate of four dollars per centum upon such value.

Where the successor shall be a brother or sister of the grandfather or grandmother, or a descendant of the brother or sister of the grandfather or grandmother of the predecessor, a duty at the rate of five dollars per centum upon such value.

Where the successor shall be in any other degree of collateral consanguinity to the predecessor than is hereinbefore described, or shall be a stranger in blood to him, a duty at the rate of six dollars per centum upon such value.

Assessment and collection of legacy and succession taxes.

24 Dec., 1872, c. 13, s. 2, v. 17, p. 402.

SEC. 3440. The Commissioner of Internal Revenue is required to make the inquiries, determinations, and assessments, provided by acts in force, prior to the first day of October, eighteen hundred and seventy, of all taxes upon legacies and successions liable to be assessed or accruing thereon under the provisions of such acts; and he shall certify such assessments, when made, to the proper collectors, respectively, who shall proceed to collect and account for taxes so certified in the same manner as is provided for the collection of the same by such acts.

CHAPTER ELEVEN.

PROVISIONS COMMON TO SEVERAL OBJECTS OF TAXATION.

Sec.	Sec.
3441. Drawback on articles in Schedule A.	3452. Having property in possession with intent to sell in fraud of law, or to evade taxes; penalty.
3442. Certificates of drawback receivable for taxes.	3453. Seizure of property found in possession in fraud of revenue laws.
3443. Fraudulent claims of drawback.	3454. Sales to evade tax; forfeiture.
3444. Collector's monthly account of articles in bonded warehouses, and articles exported.	3455. Disposing of or receiving empty stamped packages, &c.; penalties.
3445. Changes of stamps, instruments for attaching and canceling.	3456. Penalty and forfeiture by distillers, rectifiers, wholesale liquor-dealers, and manufacturers of tobacco or cigars, for omitting things required, and for doing things forbidden.
3446. Power to alter form and device of spirit, tobacco, and cigar stamps.	3457. Package included in forfeiture of goods.
3447. Where mode of assessing or collecting any tax is not provided for, regulations.	3458. Goods seized may be delivered to marshal before process issues.
3448. Internal-revenue laws, when co-extensive with jurisdiction of United States.	3459. Bailing of goods seized; sale for want of bail.
3449. Removing any liquors or wines under other than trade names; penalty.	3460. Proceedings on seizure of goods valued at \$500 or less.
3450. Removing or concealing articles with intent to defraud United States of tax; forfeiture and penalty.	3461. Application for remission, and return of proceeds; distribution.
3451. Fraudulently executing documents required by internal-revenue law; penalty.	3462. Search-warrants.
	3463. Detection and punishment of frauds.
	3464. Purchasing from the Government goods subject to tax.
	3465. Construction of certain revenue acts.

Drawback on articles in Schedule A.

30 June, 1864, c. 173, s. 171, v. 13, p. 302.

3 March, 1865, c. 78, s. 1, v. 13, p. 482.

SEC. 3441. There shall be an allowance of drawback on fermented liquors and on all articles mentioned in Schedule A, on which any internal tax shall have been paid, except lucifer or friction matches, cigar-lights, and wax-tapers, equal in amount to the tax paid thereon and no more, when exported; to be paid by the warrant of the Secretary of the Treasury on the Treasurer of the United States, out of any money arising from internal duties not otherwise appropriated: *Provided*, That no allowance of drawback shall be made for any amount, claimed or due,

less than ten dollars, nor for any such articles exported prior to March thirty-first, eighteen hundred and sixty-eight. The evidence that any such tax has been paid as aforesaid shall be furnished to the satisfaction of the Commissioner of Internal Revenue by the person claiming the allowance of drawback, and the amount shall be ascertained under such regulations as shall be prescribed from time to time by the Commissioner, under the direction of the Secretary of the Treasury. And the said Secretary may make such regulations with regard to the form of certificates of drawback and the issuing thereof as he may deem necessary.

SEC. 3442. Certificates of drawback, issued in pursuance of the preceding section, may, under such regulations as may be prescribed by the Secretary of the Treasury, be received by the collector or his deputy in payment of taxes imposed by this Title.

SEC. 3443. Whenever any person fraudulently claims or seeks to obtain an allowance of drawback on goods, wares, or merchandise on which no internal duty shall have been paid, or fraudulently claims any greater allowance of drawback than the tax actually paid as aforesaid, he shall forfeit triple the amount wrongfully or fraudulently claimed or sought to be obtained, or the sum of five hundred dollars, at the election of the Secretary of the Treasury.

SEC. 3444. Every collector who has charge of any warehouse in which distilled spirits, or other articles, are stored in bond, shall render a monthly account of all such articles to the Commissioner of Internal Revenue, by whom such account shall be examined and adjusted monthly, so as to exhibit a true statement of the responsibility of such collector thereon. In adjusting such account, the collector shall be charged with all the articles which may have been deposited or received under the provisions of law, in any warehouse in his district and under his control, and shall be credited with all such articles shown to have been removed therefrom according to law, including transfers to other collectors and to his successor in office, and also whatever allowances may have been made in accordance with law to any owner of such goods or articles for leakage or other losses. And every collector from whose district any distilled spirits, tobacco, snuff, or cigars are shipped in bond, under the provisions of this Title, shall render a monthly account of the same to the Commissioner of Internal Revenue, showing the amount of each article produced and shipped in bond, the amounts of which the exportation is completed according to law, and the amount remaining unaccounted for at the end of each month; also any excesses or deficiencies on the amounts originally reported as shipped.

SEC. 3445. The Commissioner of Internal Revenue may make such change in stamps, and may prescribe such instruments or other means for attaching, protecting, and canceling stamps, for tobacco, snuff, cigars, distilled spirits, and fermented liquors, or either of them, as he and the Secretary of the Treasury shall approve; such instruments to be furnished by the United States to the persons using the stamps to be affixed therewith, under such regulations as the Commissioner of Internal Revenue may prescribe. [See §§ 5433, 5453.]

SEC. 3446. The Secretary of the Treasury and the Commissioner of Internal Revenue may alter, renew, or change the form, style, and device of any stamp, mark, or label used under any provision of the laws relating to distilled spirits, tobacco, snuff, and cigars, when in their judgment necessary for the collection of revenue tax, or the prevention or detection of frauds thereon; and may make and publish such regulations for the use of such mark, stamp, or label as they find requisite. But in no case shall such renewal or change extend to an abandonment of the general character of the stamps above mentioned, nor to the dispensing with any provisions requiring that such stamps shall be kept in book form and have thereon the signatures of revenue officers.

Certificates of drawback receivable for taxes.

30 June, 1864, c. 173, s. 171, v. 13, p. 302.

Fraudulent claims of drawback.

30 June, 1864, c. 173, s. 172, v. 13, p. 303.

Collector's monthly account of articles in bonded warehouses, and articles exported.

20 July, 1868, c. 186, s. 100, v. 15, p. 165.

6 June, 1872, c. 315, s. 31, v. 17, p. 255.

Changes of stamps, instruments for attaching and canceling.

6 June, 1872, c. 315, s. 12, v. 17, p. 240.

20 July, 1868, c. 186, s. 43, v. 15, p. 142.

Power to alter form and device of spirit, tobacco, and cigar stamps.

20 July, 1868, c. 186, s. 101, v. 15, p. 165.

Where mode of assessing or collecting any tax is not provided for; regulations.

SEC. 3447. Whenever the mode or time of assessing or collecting any tax which is imposed is not provided for, the Commissioner of Internal Revenue may establish the same by regulation. He may also make all such regulations, not otherwise provided for, as may have become necessary by reason of any alteration of law in relation to internal revenue.

Ibid., s. 103, v. 15, p. 166.

Internal-revenue laws, when co-extensive with jurisdiction of United States.

SEC. 3448. The internal-revenue laws imposing taxes on distilled spirits, fermented liquors, tobacco, snuff, and cigars shall be held to extend to such articles produced anywhere within the exterior boundaries of the United States, whether the same be within a collection-district or not.

20 July, 1868, c. 186, s. 107, v. 15, p. 167.—The Cherokee Tobacco, 11 Wall., 616; U. S. *vs.* Tobacco Factory, 1 Dill., 264.

Removing any liquors or wines under other than trade-names; penalty.

SEC. 3449. Whenever any person ships, transports, or removes any spirituous or fermented liquors or wines, under any other than the proper name or brand known to the trade as designating the kind and quality of the contents of the casks or packages containing the same, or causes such act to be done, he shall forfeit said liquors or wines, and casks or packages, and be subject to pay a fine of five hundred dollars.

13 July, 1866, c. 184, s. 29, v. 14, p. 156.

Removing or concealing articles with intent to defraud United States of tax; forfeiture and penalty.

SEC. 3450. Whenever any goods or commodities for or in respect whereof any tax is or shall be imposed, or any materials, utensils, or vessels proper or intended to be made use of for or in the making of such goods or commodities are removed, or are deposited or concealed in any place, with intent to defraud the United States of such tax, or any part thereof, all such goods and commodities, and all such materials, utensils, and vessels, respectively, shall be forfeited; and in every such case all the casks, vessels, cases, or other packages whatsoever, containing, or which shall have contained, such goods or commodities, respectively, and every vessel, boat, cart, carriage, or other conveyance whatsoever, and all horses or other animals, and all things used in the removal or for the deposit or concealment thereof, respectively, shall be forfeited. And every person who removes, deposits, or conceals, or is concerned in removing, depositing, or concealing any goods or commodities for or in respect whereof any tax is or shall be imposed, with intent to defraud the United States of such tax or any part thereof, shall be liable to a fine or penalty of not more than five hundred dollars. And all boilers, stills, or other vessels, tools and implements, used in distilling or rectifying, and forfeited under any of the provisions of this Title, and all condemned material, together with any engine or other machinery connected therewith, and all empty barrels, and all grain or other material suitable for distillation, shall, under the direction of the court in which the forfeiture is recovered, be sold at public auction, and the proceeds thereof, after deducting the expenses of sale, shall be disposed of according to law. And all spirits or spirituous liquors which may be forfeited under the provisions of this Title; unless herein otherwise provided, shall be disposed of by the Commissioner of Internal Revenue as the Secretary of the Treasury may direct.

Ibid., s. 14, p. 151.

U. S. *vs.* One hundred Barrels of Spirits, 2 Abb. U. S., 305.

Fraudulently executing documents required by internal-revenue laws; penalty.

SEC. 3451. Every person who simulates or falsely or fraudulently executes or signs any bond, permit, entry, or other document required by the provisions of the internal-revenue laws, or by any regulation made in pursuance thereof, or who procures the same to be falsely or fraudulently executed, or who advises, aids in, or connives at such execution thereof, shall be imprisoned for a term not less than one year nor more than five years; and the property to which such false or fraudulent instrument relates shall be forfeited.

20 July, 1868, c. 186, s. 99, v. 15, p. 165.

Having property in possession with intent to sell in fraud of law, or to evade taxes; penalty.

SEC. 3452. Every person who shall have in his custody or possession any goods, wares, merchandise, articles, or objects on which taxes are imposed by law, for the purpose of selling the same in fraud of the internal-revenue laws, or with design to avoid payment of the taxes imposed thereon, shall be liable to a penalty of five hundred dollars or

not less than double the amount of taxes fraudulently attempted to be evaded.

c. 173, s. 48, v. 13, p. 240.—The Distilled Spirits, 11 Wall., 356.

SEC. 3453. All goods, wares, merchandise, articles, or objects, on which taxes are imposed, which shall be found in the possession, or custody, or within the control of any person, for the purpose of being sold or removed by him in fraud of the internal-revenue laws, or with design to avoid payment of said taxes, may be seized by the collector or deputy collector of the proper district, or by such other collector or deputy collector as may be specially authorized by the Commissioner of Internal Revenue for that purpose, and shall be forfeited to the United States. And all raw materials found in the possession of any person intending to manufacture the same into articles of a kind subject to tax for the purpose of fraudulently selling such manufactured articles, or with design to evade the payment of said tax; and all tools, implements, instruments, and personal property whatsoever, in the place or building, or within any yard or inclosure where such articles or raw materials are found, may also be seized by any collector or deputy collector, as aforesaid, and shall be forfeited as aforesaid. The proceedings to enforce such forfeitures shall be in the nature of a proceeding in rem in the circuit court or district court of the United States for the district where such seizure is made.

13 July, 1866, c. 184, s. 9, v. 14, p. 112. 30 June, 1864, c. 173, s. 48, v. 13, p. 240.

Seizure of property found in possession in fraud of revenue laws.

13 July, 1866, c. 184, s. 9, v. 14, p. 111.

30 June, 1864, c. 173, s. 48, v. 13, p. 240.

U. S. vs. One Still, 5 Blatch., 403; U. S. vs. Thirty-six Barrels of High-wines, 7 Blatch., 468; U. S. vs. Ninety-two Barrels of Rectified Spirits, 8 Blatch., 480; U. S. vs. Thirty-three Barrels of Spirits, 1 Abb. U. S., 311; The Distilled Spirits, 11 Wall., 356.

Sales to evade tax; forfeiture.

30 June, 1864, c. 173, s. 180, v. 13, pp. 305, 306.

SEC. 3454. Whenever any person who is liable to pay any tax upon any goods, wares, or merchandise, sells or causes or allows the same to be sold before the tax is paid to which said property is liable, with intent to avoid such tax, or in fraud of the internal-revenue laws, any debt contracted in such sale, and any security given therefor, unless the same shall have been bona fide transferred to an innocent holder, shall be void, and the collection thereof shall not be enforced in any court. And if such goods, wares, or merchandise have been paid for, in whole or in part, the sum so paid shall be deemed forfeited, and any person who shall sue for the same in an action of debt shall recover from the seller the amount so paid, one half to his own use and the other half to the use of the United States.

SEC. 3455. Whenever any person sells, gives, purchases, or receives any box, barrel, bag, vessel, package, wrapper, cover, or envelope of any kind, stamped, branded, or marked in any way so as to show that the contents or intended contents thereof have been duly inspected, or that the tax thereon has been paid, or that any provision of the internal-revenue laws has been complied with, whether such stamping, branding, or marking may have been a duly authorized act or may be false and counterfeit, or otherwise without authority of law, said box, barrel, bag, vessel, package, wrapper, cover, or envelope being empty, or containing anything else than the contents which were therein when said articles had been so lawfully stamped, branded, or marked by an officer of the revenue, he shall be liable to a penalty of not less than fifty nor more than five hundred dollars. And every person who makes, manufactures, or produces any box, barrel, bag, vessel, package, wrapper, cover, or envelope, stamped, branded, or marked, as above described, or stamps, brands, or marks the same, as hereinbefore recited, shall be liable to penalty as before provided in this section. And every person who violates the foregoing provisions of this section, with intent to defraud the revenue, or to defraud any person, shall be liable to a fine of not less than one thousand nor more than five thousand dollars, or to imprisonment for not less than six months nor more than five years, or to both, at the discretion of the court. And all articles sold, given, purchased, received, made, manufactured, produced, branded, stamped, or marked in violation of the provisions of this section, and all their contents, shall be forfeited to the United States.

Disposing of or receiving empty stamped packages, &c.; penalties.

13 July, 1866, c. 184, s. 16, v. 14, p. 152.

Penalty and forfeiture by distillers, rectifiers, wholesale liquor-dealers, and manufacturers of tobacco or cigars, for omitting things required, and for doing things forbidden.

20 July, 1868, c. 186, s. 96, v. 15, p. 164.

U. S. vs. McKim & Co., 2 Am. L., T. U. S., 153. U. S. vs. Certain Distilled

SEC. 3456. If any distiller, rectifier, wholesale liquor-dealer, or manufacturer of tobacco or cigars, shall knowingly or willfully omit, neglect or refuse to do or cause to be done any of the things required by law in the carrying on or conducting of his business, or shall do anything by this Title prohibited, if there be no specific penalty or punishment imposed by any other section of this Title for the neglecting, omitting or refusing to do, or for the doing or causing to be done the thing required or prohibited, he shall pay a penalty of one thousand dollars; and if the person so offending be a distiller, rectifier, or wholesale dealer, all distilled spirits or liquors owned by him or in which he has any interest as owner, and if he be a manufacturer of tobacco or cigars, all tobacco or cigars found in his manufactory shall be forfeited to the United States.

Spirits, 3 Am. L., T. U. S., 10.

Package included in forfeiture of goods.

13 July, 1866, c. 184, s. 14, v. 14, p. 151.

Goods seized may be delivered to marshal before process issues.

13 July, 1866, c. 184, s. 9, v. 14, p. 112.

30 June, 1864, c. 173, s. 48, v. 13, p. 240.

SEC. 3457. In every case where any goods or commodities are forfeited under any internal-revenue law, all casks, vessels, cases, or other packages whatsoever, containing, or which shall have contained such goods or commodities, respectively, shall be forfeited.

SEC. 3458. Any goods, wares, merchandise, articles, or objects which may be seized, under the provisions of section thirty-four hundred and fifty-three, by any collector or deputy collector, may, at the option of the collector, be delivered to the marshal of the district, and remain in the care and custody and under the control of said marshal, until he shall obtain possession by process of law. And the cost of seizure made before process issues shall be taxable by the court. And where any whisky or tobacco, or other article of manufacture or produce, requiring brands, stamps or marks of whatever kind to be placed thereon, shall be sold upon distraint, forfeiture, or other process provided by law, the same not having been branded, stamped, or marked, as required by law, the officer selling the same shall, upon sale thereof, fix or cause to be affixed the brands, stamps, or marks, so required, and deduct the expense thereof from the proceeds of such sale.

Bailing of goods seized; sale for want of bail.

13 July, 1866, c. 184, s. 9, v. 14, p. 112.

30 June, 1864, c. 173, s. 48, v. 13, p. 241.

SEC. 3459. When any property which is seized under the foregoing provisions of section thirty-four hundred and fifty-three is liable to perish or become greatly reduced in price or value by keeping, or when it cannot be kept without great expense, the owner thereof, or the marshal of the district, may apply to the collector of the district to examine it; and if, in the opinion of said collector, it shall be necessary that the said property should be sold to prevent such waste or expense, he shall appraise the same; and thereupon the owner shall have said property returned to him upon giving bond in such form as may be prescribed by the Commissioner of Internal Revenue, and in an amount equal to the appraised value, with such sureties as the collector shall deem good and sufficient, to abide the final order, decree, or judgment of the court having cognizance of the case, and to pay the amount of said appraised value to the collector, marshal, or otherwise, as he may be ordered and directed by the court, which bond shall be filed by said collector with the United States district attorney for the district in which said proceedings in rem may be commenced: *Provided*, That in case said bond shall have been executed and the property returned before seizure thereof by virtue of the process aforesaid, the marshal shall give notice of pendency of proceedings in court to the parties executing said bond, by personal service or publication, and in such manner and form as the court may direct, and the court shall thereupon have jurisdiction of said matter and parties in the same manner as if such property had been seized by virtue of the process aforesaid. But if said owner shall neglect or refuse to give said bond, the collector shall issue to a deputy collector or to the marshal aforesaid an order to sell the same; and the deputy collector or marshal shall thereupon advertise and sell the said property at public auction in the same manner as

goods may be sold on final execution in said district; and the proceeds of the sale, after deducting the reasonable costs of the seizure and sale, shall be paid to the court aforesaid, to abide its final order, decree, or judgment.

SEC. 3460. In all cases of seizure of any goods, wares, or merchandise, as being subject to forfeiture under any provision of the internal-revenue laws, which, in the opinion of the collector or deputy collector making the seizure, are of the appraised value of five hundred dollars or less, the said collector or deputy collector shall, except in cases otherwise provided, proceed as follows:

First. He shall cause a list containing a particular description of the goods, wares, or merchandise seized to be prepared in duplicate, and an appraisalment thereof to be made by three sworn appraisers, to be selected by him, who shall be respectable and disinterested citizens of the United States residing within the collection-district wherein the seizure was made. Said list and appraisalment shall be properly attested by the said collector or deputy collector and the said appraisers, for which service each of the said appraisers shall be allowed the sum of one dollar and fifty cents a day, to be paid in the manner provided by law for other necessary charges of collectors. [See § 570.]

Second. If the said goods are found by the said appraisers to be of the value of five hundred dollars or less, the said collector or deputy collector shall publish a notice, for three weeks, in some newspaper of the district where the seizure was made, describing the articles, and stating the time, place, and cause of their seizure, and requiring any person claiming them to appear and make such claim within thirty days from the date of the first publication of such notice.

Third. Any person claiming the goods, wares, or merchandise so seized, within the time specified in the notice, may file with the said collector or deputy collector a claim, stating his interest in the articles seized, and may execute a bond to the United States in the penal sum of two hundred and fifty dollars, with sureties to be approved by the said collector or deputy collector, conditioned that, in case of condemnation of the articles so seized, the obligors shall pay all the costs and expenses of the proceedings to obtain such condemnation; and upon the delivery of such bond to the collector or deputy collector, he shall transmit the same, with the duplicate list or description of the goods seized, to the United States district attorney for the district, and said attorney shall proceed thereon in the ordinary manner prescribed by law.

Fourth. If no claim is interposed and no bond is given within the time above specified, the collector or deputy collector, as the case may be, shall give ten days' notice of the sale of the goods, wares, or merchandise by publication, and, at the time and place specified in the notice, shall sell the articles so seized at public auction, and, after deducting the expense of appraisalment and sale, he shall deposit the proceeds to the credit of the Secretary of the Treasury.

SEC. 3461. Within one year after the sale of any goods, wares, or merchandise, as provided in the preceding section, any person claiming to be interested in the property sold may apply to the Secretary of the Treasury for a remission of the forfeiture thereof, or of any part thereof, and a restoration of the proceeds of the sale; and the said Secretary may grant the same upon satisfactory proof, to be furnished in such manner as he shall prescribe: *Provided*, That it shall be satisfactorily shown that the applicant, at the time of the seizure and sale of the said property, and during the intervening time, was absent, out of the United States, or in such circumstances as prevented him from knowing of the seizure, and that he did not know of the same; and also that the said forfeiture was incurred without willful negligence or any intention of fraud on the part of the owner of said property. If no application for such restoration is made within one year, as hereinbefore prescribed, the Secretary of the Treasury shall, at the expiration of the said time, cause the proceeds of the sale of the said property to be distributed

Proceedings on seizure of goods valued at \$500 or less.

13 July, 1866, c. 184, s. 63, v. 14, p. 169.

6 June, 1872, c. 315, s. 40, v. 17, p. 257.

List and appraisalment.

Notice of seizure.

Claims to be filed.

Bond of claimant.

Sale of goods and disposal of proceeds.

Application for remission, and return of proceeds; distribution.

13 July, 1866, c. 184, s. 63, v. 14, p. 169.

6 June, 1872, c. 315, s. 40, v. 17, p. 257.

according to law, as in the case of goods, wares, or merchandise condemned and sold pursuant to the decree of a competent court.

Search-warrants.

13 July, 1866, c. 184, s. 15, v. 14, p. 152.

SEC. 3462. The several judges of the circuit and district courts of the United States, and commissioners of the circuit courts, may, within their respective jurisdictions, issue a search-warrant, authorizing any internal-revenue officer to search any premises within the same, if such officer makes oath in writing that he has reason to believe, and does believe, that a fraud upon the revenue has been or is being committed upon or by the use of the said premises.

Detection and punishment of frauds.

2 March, 1867, c. 169, s. 7, v. 14, p. 473.

SEC. 3463. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, is authorized to pay such sums, not exceeding in the aggregate the sum appropriated therefor, as he may deem necessary for detecting and bringing to trial and punishment persons guilty of violating the internal-revenue laws, or conniving at the same, in cases where such expenses are not otherwise provided for by law.

Purchasing from the Government goods subject to tax.

SEC. 3464. The privilege of purchasing supplies of goods imported from foreign countries for the use of the United States, duty free, which now does or hereafter shall exist by provision of law, shall be extended, under such regulations as the Secretary of the Treasury may prescribe, to all articles of domestic production which are subject to tax by the provisions of this Title.

Construction of certain revenue acts.

2 March, 1833, c. 57, v. 4, pp. 632-635.
30 June, 1864, c. 173, v. 13, pp. 223-306.

SEC. 3465. An act entitled "An act further to provide for the collection of duties on imports," passed March second, eighteen hundred and thirty-three, shall not be so construed as to apply to cases arising under an act entitled "An act to provide internal revenue to support the Government, to pay interest on the public debt, and for other purposes," passed June thirtieth, eighteen hundred and sixty-four, or any act in addition thereto or in amendment thereof, nor to any case in which the validity or interpretation of said act or acts shall be in issue.