

IDENTIFICATION NUMBER FOR SPECIAL (OCCUPATIONAL) TAX-PAYER

ATF Procedure 90-1

SECTION 1. PURPOSE.

1.01 The purpose of this ATF procedure is to inform Federal firearms licensees who have paid the special (occupational) tax to import, manufacture, or deal in National Firearms Act (NFA) firearms of the discontinuance of the use of the ATF Identification Number and the replacement with the use of the Employer Identification Number (EIN) on all NFA transaction forms.

SEC. 2. BACKGROUND

2.01 Section 5801 of Title 26, U.S.C. provides that on first engaging in business, and thereafter on or before the first day of July of each year, every importer, manufacturer, and dealer in NFA firearms shall pay the appropriate special (occupational) tax. In addition, section 5802 requires each importer, manufacturer, and dealer to register with the Secretary his name and the address of each location where he will conduct business. The filing of ATF Form 5630.5, with payment of the appropriate tax required by Section 5801, also accomplishes registration requirements under Section 5802.

2.02 The regulations at 27 CFR 179.34 require that the special tax be paid by return (ATF Form 5630.5, Special Tax Registration and Return) and require that all the information called for on the return be provided,

including the Employer Identification Number. 27 CFR 179.35 provides the instructions for applying for an EIN.

2.03 The regulations in 27 CFR 179.84, 179.88, and 179.90 require that the application to transfer an NFA firearm identify the special tax stamp, if any, of the transferor and transferee. The regulations in 27 CFR 179.103 and 179.112 require that the notice submitted to register NFA firearms identify the special tax stamp of the manufacturer or importer respectively. Identification of the tax stamp is necessary to ensure the tax liability has been satisfied, that the parties are qualified to import, manufacture, or deal in NFA firearms, and, in certain instances, is necessary to ensure that both parties in a transfer application are entitled to an exemption from the transfer tax.

2.04 In 1980, because of delays in the issuance of special tax stamps resulting in the inability of special taxpayers to conduct business operations, ATF Procedure 80-6 was implemented. This procedure notified taxpayers that they could obtain an ATF identification number which should be used in lieu of the IRS special tax stamp number on all NFA transaction forms. This procedure was established to facilitate the processing of NFA forms and to eliminate the delay caused by the time period required for IRS processing of the special tax stamp.

2.05 ATF has recently taken over the collection of special tax from the Internal Revenue Service, and is now issuing the special tax stamps. The number used to identify the special tax stamp is the EIN.

SEC. 3. IDENTIFICATION

3.01 Because the number used to identify the special tax stamp is the EIN, this number must appear on all forms (applications, notices, and returns) involving NFA firearms. The problems that caused the implementation of the procedure in 1980 have been resolved. In fact, the assignment of an ATF identification number is now duplicative and requires more paperwork of the taxpayer. Accordingly, the use of the ATF identification number is no longer necessary and is discontinued.

SEC. 4. EFFECT ON OTHER DOCUMENTS.

4.01 ATF Procedure 80-6 is cancelled

SEC. 5. INQUIRIES.

5.01 Inquiries regarding this ATF procedure should refer to its number and should be addressed to:

Bureau of Alcohol, Tobacco and Firearms
Chief, National Firearms Act Branch
Ariel Rios Federal Building
1200 Pennsylvania Avenue, NW
Washington, DC 20026

Stephen E. Higgins
Director