Daily Summary of Magazine Transactions (DSMT)

A DSMT is a running balance of explosive materials in a magazine. Per 27 CFR § 555.127, the DSMT shall include:

1. The manufacturer’s name or brand name;
2. The date of receipt or removal (no entry is required for any day on which no explosives are placed into or removed from magazine);
3. Total quantity received in and removed from each magazine during the day; and
4. Total remaining on hand at the end of the day.

The DSMT recordkeeping requirement pertains to all explosive materials received in and removed from the magazine during the day. This includes items that may have been removed in the morning, but returned later in the day.

### Recording in the DSMT

- Record transaction entries in the DSMT no later than close of the next business day and retain DSMT records for no less than 5 years from the transaction date or until discontinuance of business or operations.
- Maintain the DSMT at each magazine or at one central location on the business premises if separate records of daily transactions are kept for each magazine.
- Record product information by the manufacturer’s name or the brand name.
- You may include additional information, e.g., date-shift codes, but the required information must be readily identifiable.

### Recording Amounts

ATF recommends recording explosives quantity entries in a manner consistent with the markings on the explosives packaging, to help facilitate inventories. (If a box of cartridges or sticks is opened and the packaging is marked only in pounds, we suggest an inventory of the remaining cartridges or sticks.)

Quantity entries for display fireworks may be expressed as the number and size of individual display fireworks in a finished state or as the number of packaged display segments or packaged displays.

### Recordkeeping Packaged Firework Shows

For example, if 25 detonators are removed from a magazine to use at a job site and 5 unused detonators are returned to the magazine at the end of the day, the records should reflect the movement of the product out of the magazine, the portion returned, and the balance on hand in the magazine at the conclusion of the day’s activities.

<table>
<thead>
<tr>
<th>DATE</th>
<th>IN</th>
<th>OUT</th>
<th>ON HAND</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/1/16</td>
<td>150</td>
<td></td>
<td>150</td>
</tr>
<tr>
<td>10/4/16</td>
<td>25</td>
<td>125</td>
<td></td>
</tr>
<tr>
<td>10/4/16</td>
<td>5</td>
<td></td>
<td>130</td>
</tr>
</tbody>
</table>

For example, if 25 detonators are removed from a magazine to use at a job site and 5 unused detonators are returned to the magazine at the end of the day, the records should reflect the movement of the product out of the magazine, the portion returned, and the balance on hand in the magazine at the conclusion of the day’s activities.

### Annual Inventory

As noted in 27 CFR § 555.127, Federal explosives licensees and permittees shall take and record in the DSMT an annual physical inventory of all explosive materials on hand, and must conduct a special inventory:

1. When commencing business, i.e., the effective date of the explosives license/permit issuance;
2. When changing the business location to another region;
3. When discontinuing business; and
4. At any time ATF may require such in writing.

If a special inventory has not been taken during the calendar year, at least one physical inventory must be taken.

You may include a notation on the DSMT that the particular entry is for the inventory. For example:

### Reporting DSMT Discrepancies

In many cases, a discrepancy can be the result of an administrative error in recordkeeping. If the loss cannot be accounted for through a reconciliation of records – and there is no indication that a theft or breach in security has occurred, e.g., signs of
Prying – attempt to determine if an actual loss has occurred. Any discrepancy which might indicate a theft or loss of explosive materials is to be reported in accordance with § 555.30.

As required under 27 CFR § 555.30, within 24 hours of discovering an explosives loss, you shall contact your local law enforcement authority, notify the USBDC (800–461–8841 or after hours at 800–3855), and prepare an ATF F 5400.5, Report of Theft or Loss-Explosive Materials. Submit the original to the U.S. Bomb Data Center (USBDC) and keep a copy for your records. The form is available at https://www.atf.gov/resource-center/forms-library.

In the event of an explosives loss, a full inventory is strongly encouraged to reconcile the DSMT and to prevent future inventory discrepancies.

If you find explosive materials that initially were reported as a theft or loss, or locate records that show that a theft or loss did not occur, notify the USBDC so a correction can be made to the list of explosives reported stolen or missing from your inventory.

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