



U.S. Department of Justice

**Bureau of Alcohol, Tobacco,
Firearms and Explosives**

Office of the Director

Washington, DC 20226

18 U.S.C. 923(g)(1)(A): RECORDS REQUIRED

27 CFR 478.22: ALTERNATE METHODS OR PROCEDURES

27 CFR 478.121: RECORDS REQUIRED

27 CFR 478.123: RECORDS MAINTAINED BY MANUFACTURERS

27 CFR 478.125: RECORDS OF FIREARMS RECEIPT AND DISPOSITION

27 CFR 478.129: RECORD RETENTION

ATF authorizes an alternate method or procedure from the firearms acquisition and disposition recordkeeping requirements of 27 CFR 478.123. Specifically, ATF authorizes licensed manufacturers to consolidate their records of manufacture or other acquisition of firearms and their separate firearms disposition records, provided all of the conditions in this ruling are met.

ATF Rul. 2010-8

The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has received requests from licensed manufacturers for permission to consolidate their records of firearms manufacture or other acquisition and their separate records of firearms disposition.

The Gun Control Act of 1968 (GCA), at Title 18, United States Code, section 923(g)(1)(A), provides, in part, that each licensed manufacturer must maintain records of importation, production, shipment, receipt, sale, or other disposition of firearms at his place of business for such period, and in such form, as the Attorney General may by regulations prescribe. Federal regulations at Title 27, Code of Federal Regulations (CFR), section 478.123(a), require licensed manufacturers to record the type, model, caliber or gauge, and serial number of each complete firearm manufactured or otherwise acquired, and the date such manufacture or other acquisition was made, not later than the seventh day following the date such manufacture or other acquisition was made. The records of manufacture or other acquisition must be retained by the manufacturer on the licensed premises permanently, pursuant to 27 CFR 478.121(a) and 478.129(d).

Federal regulations at 27 CFR 478.123(b) require licensed manufacturers to record the disposition of firearms to other licensees showing the quantity, type, model, manufacturer, caliber, size or gauge, serial number of the firearms transferred, the name and license number of the licensee to whom the firearms were transferred, and the date of the transaction. This information must be entered in the proper record book not later than the seventh day following the date of the transaction, and such information must be recorded under the format prescribed by 27 CFR 478.122, except that the name of the manufacturer need not be recorded if the firearm is of the manufacturer's own manufacture. Under 27

CFR 478.129(d), the manufacturer's records of the sale or other disposition of firearms to licensees must be retained by the manufacturer for 20 years.

In addition, under 27 CFR 478.123(d) licensed manufacturers must maintain separate records of the sales or other dispositions of firearms made to nonlicensees. These records must be maintained in the form and manner prescribed by regulations at 27 CFR 478.124, 478.125(e), and 478.125(i), with regard to firearms transaction records and records of firearms disposition. Under 27 CFR 478.129(d), the manufacturer's records of the sale or other disposition of firearms to nonlicensees must be retained for 20 years.

Licensed manufacturers may seek approval from ATF to use an alternate method or procedure to record the acquisition and disposition of firearms. Federal regulations at 27 CFR 478.123(c) provide that ATF may authorize alternate records of the disposal of firearms when it is shown by the licensed manufacturer that the alternate records will accurately and readily disclose the information required to be maintained. Additionally, under 27 CFR 478.22, the Director may approve an alternate method or procedure in lieu of a method or procedure specifically prescribed in the regulations when he finds that: (1) good cause is shown for the use of the alternate method or procedure; (2) the alternate method or procedure is within the purpose of, and consistent with the effect intended by, the specifically prescribed method or procedure and that the alternate method or procedure is substantially equivalent to that specifically prescribed method or procedure; and (3) the alternate method or procedure will not be contrary to any provision of law and will not result in an increase in cost to the Government or hinder the effective administration of 27 CFR Part 478.

ATF recognizes that, provided certain conditions are met, the consolidation of records of manufacture or other acquisition of firearms by a licensed manufacturer with corresponding firearms disposition records will accurately and readily disclose the information required to be maintained. It will also make it easier for manufacturers and ATF to account for and trace a manufacturer's firearms inventory. ATF therefore finds that there is good cause to authorize a variance to the separate acquisition and disposition records requirements of the Federal firearms regulations. Further, this alternate method is not contrary to any provision of law, will not increase costs to ATF, and will not hinder the effective administration of the Federal regulations.

Licensed firearms manufacturers are authorized to consolidate their records of manufacture or other acquisition of firearms and their separate firearms disposition records provided the following conditions are met:

1. Within seven (7) days of the date of manufacture or other acquisition, the licensed manufacturer records the following information for each firearm:
 - a. Date of manufacture or other acquisition;
 - b. Name of the person from whom the firearm was acquired;

- c. Address of the person from whom the firearm was acquired if the transferor is a nonlicensee, or the complete 15-digit license number of the licensed manufacturer or other licensee from whom the firearm was acquired;
 - d. Name of the manufacturer (to include the licensed manufacturer) and licensed importer (if applicable);
 - e. Model;
 - f. Serial number;
 - g. Type; and
 - h. Caliber, size or gauge.

2. Within seven (7) days of the date of sale or other disposition, beside the corresponding line item record of manufacture or other acquisition, the licensed manufacturer records the following information for each firearm:
 - a. Date of sale or other disposition;
 - b. Name of the person to whom the firearm was transferred (to include the licensed manufacturer); and
 - c. Address of the person to whom the firearm was transferred if the transferee is a nonlicensee, or the ATF Form 4473 serial number if the Forms 4473 are filed numerically, or if transferred to a licensee, the transferee's complete 15-digit license number.

3. A manufacturer intending to make any change to the model, type, caliber, size or gauge of a frame, receiver, or assembled firearm must log the firearm out of the acquisition and disposition record as a disposition to the licensee. Once the change has been made, the firearm must be recorded as a new firearm manufactured on a separate line of the acquisition and disposition record. As the manufacturer, the licensee should record his or her name and license number.

4. For firearms dispositions to a licensee, the commercial record of the transaction shall be retained separately from other commercial documents maintained by the licensed manufacturer until the transaction is recorded, and be readily available for inspection on the licensed premises.

5. For firearms dispositions to a nonlicensee, the Firearms Transaction Record, ATF Form 4473, shall be retained separately from the licensee's Form 4473 file, and be readily available for inspection on the licensed premises until the transaction is recorded. After that time, the Form 4473 shall be retained alphabetically (by name of purchaser), chronologically (by date of sale or other disposition), or numerically (by transaction serial number) as part of the licensed manufacturer's required records.

6. By using this variance, a line item will be recorded for each firearm manufactured or otherwise acquired and sold or otherwise disposed of by a licensed manufacturer. The quantity of firearms manufactured or otherwise acquired of the

same type, model, and caliber or gauge must be able to be readily determined by adding all associated line items.

7. All consolidated firearms acquisition and disposition records must be maintained permanently by the licensed manufacturer. Additionally, as provided by 27 CFR 478.127, upon discontinuance of business all required records must be forwarded to the ATF Out-of-Business Records Center.

Licensees are reminded of their responsibility to ensure the accuracy and completeness of all required records, and to maintain such records on their licensed premises available for inspection. Additionally, this approval does not relieve licensees of any requirements of State, local, or other Federal government agencies. If acquisition and disposition records are maintained in electronic form, licensees must comply with ATF Ruling 2008-2 (approved August 25, 2008).

Held, pursuant to 27 CFR 478.22 and 478.123(c), ATF authorizes an alternate method or procedure from the firearms acquisition and disposition recordkeeping requirements of 27 CFR 478.123. Specifically, ATF authorizes licensed manufacturers to consolidate their records of manufacture or other acquisition of firearms and their separate firearms disposition records, provided all of the conditions in this ruling are met.

Held further, if ATF finds that a licensee has failed to abide by the conditions of this ruling, or uses any procedure that hinders the effective administration of the Federal firearms laws or regulations, ATF may notify the licensee that the licensee is no longer authorized to consolidate his acquisition and disposition records under this ruling.

Date approved: December 6, 2010

Kenneth E. Melson
Acting Director