



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

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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 478.122: RECORDS MAINTAINED BY IMPORTERS
27 CFR 478.123: RECORDS MAINTAINED BY MANUFACTURERS
27 CFR 478.124: FIREARMS TRANSACTION RECORD
27 CFR 478.125: RECORDS OF FIREARMS RECEIPT AND DISPOSITION
27 CFR 478.127: DISCONTINUANCE OF BUSINESS
27 CFR 478.129: RECORD RETENTION

The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) authorizes an alternate method or procedure from the firearms acquisition and disposition recordkeeping requirements contained in Title 27, Code of Federal Regulations (CFR), 478.123. Specifically, ATF authorizes licensed manufacturers to consolidate their records of manufacture or other acquisition of firearms with their separate firearms disposition records, provided all of the conditions in this ruling are met. This ruling supersedes Ruling 2010-8, Consolidation of Records Required for Manufacturers.

ATF Rul. 2016-3

ATF has received requests from multiple licensed manufacturers who use consolidated records authorized by Ruling 2010-8, for clarification of when and how to document in the required acquisition and disposition record (A&D record) changes and/or conversions made to firearms during the manufacturing process. Accordingly, this ruling supersedes Ruling 2010-8 in clarifying instructions for documenting such changes and/or conversions.

The Gun Control Act of 1968, title 18, United States Code (U.S.C.), 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 or her place of business for such period, and in such form, as the Attorney General may by regulations prescribe. The regulations at 27 CFR 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 occurred, 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).

The 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. Per 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.

The regulations at 27 CFR 478.123(d) require licensed manufacturers to 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. The regulations at 27 CFR 478.129(d) state that 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 A&D record 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.

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.

1. Within seven 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 firearms manufacturer) and licensed importer (if applicable);
 - e. Model;
 - f. Serial number;
 - g. Type; and
 - h. Caliber, size, or gauge.
2. Within seven 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. When a licensed manufacturer makes changes to the model, type, caliber, size, and/or gauge of a frame, receiver, or assembly of a firearm, the firearm should remain logged into the A&D record until the changes and/or conversions are complete. Once the change and/or conversion is complete, the licensed manufacturer should then log the firearm out of the A&D record as a disposition to itself using the licensed name and license number. The date of the disposition would be the change and/or conversion date. Concurrently, the licensed manufacturer would record the new firearm information on a separate line of the A&D record as an acquisition from itself on the same date as the date of the change and/or conversion.
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, and shall be readily available for inspection on the licensed premise, until the transaction is recorded in the A&D.

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.

Licensed manufacturers 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. Note, this ruling in no way alters the parameters and protocols of licensed manufacturer participation in ATF's electronic access portal, wherein they will continue to maintain separate records for dispositions made to unlicensed purchasers when those records are otherwise contained in these electronic access portals. Additionally, this approval does not relieve licensed manufacturers of any requirements of State, local, or other Federal government agencies. If acquisition and disposition records are maintained in electronic form, licensed manufacturers must comply with ATF Ruling 2016-1, approved April 27, 2016.

Held further, if ATF finds that a licensed manufacturer 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, or any legal or administrative difficulties arise due to the use of consolidated firearms manufacturer records, the licensed manufacturer is no longer authorized to consolidate his or her A&D records under this ruling.

Held further, this ruling supersedes all previous rulings regarding alternate methods or procedures for consolidation of licensed manufacturer A&D records, including ATF Rul. 2010-8, *Consolidation of Records Required for Manufacturers*, approved December 6, 2010.

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Thomas E. Brandon
Deputy Director