March 13, 1920.

Ac-Pro-Mim. 51

Voucher Forms to be used by Federal Prohibition Directors and Supervising Federal Prohibition Agents.

TO FEDERAL PROHIBITION ENFORCEMENT OFFICERS AND OTHERS CONCERNED:

In the future Federal Prohibition Directors and Supervising Federal Prohibition Agents should render their personal accounts for salaries on Form 378, Pay Voucher for Personal Services, instead of Form 63½ Revised. Whenever they have incurred traveling expenses they should render a supplemental account on Form 63½ Revised, covering such expenses, which should be attached to Form 378.

Federal Prohibition Agents and Inspectors will continue to use Form 63½ Revised.

DANIEL C. ROPER,
Commissioner.
March 16, 1920.

TO FEDERAL PROHIBITION ENFORCEMENT OFFICERS
AND OTHERS CONCERNED:

1. Reference is made to Article VII, Regulations 60, relative to the procurement, disposition and use of wines for sacramental purposes or like religious rites. Provision is made therein for rabbis to purchase wine for the above purpose and to furnish same, without sale, in necessary quantities, not exceeding ten gallons a year, to members of their congregations.

2. Those members of the Jewish faith who have religious rites in their homes, in the conduct of which they use wine, are entitled, under the law, to wine for such purposes; and in order to expedite the distribution of same the following procedure is authorized.

3. The rabbi should first ascertain the approximate quantity of wine required by his congregation. Application should then be made on Form 1412 to the Director for purchase of such quantity. The sale and delivery of the wine must be to the rabbi and such delivery may be made and accepted at the premises of the dealer, the rabbi being held responsible for the custody and distribution of such wine as hereinafter provided.

4. Arrangements may be made between the rabbi and such dealer for distribution of the wine to members of his congregation and the rabbi may designate such dealer or any other person to make and superintend the distribution of such wine. Such wine shall not be distributed by such person except upon a written order or a list signed by the rabbi showing the kind and quantity of wine and the name and address of the member or members of his congregation to whom it is to be distributed. The person making distribution of the wine must endorse on such orders or list a statement showing that the wine covered thereby has been distributed as aforesaid. Such orders or list shall be returned to the rabbi and preserved by him with the record which he is required to keep by Section 63, Subdivision (a), Regulations 60.
5. Unless the above procedure is followed, wines for religious rites must be shipped by the dealer to the premises of the rabbi and then distributed by him without sale from the latter premises to members of his congregation. Except as above provided a dealer, under no circumstances, may furnish wines directly to members of a Jewish congregation for religious purposes for the reason that such furnishing is expressly prohibited by law.

6. The National Prohibition Act prohibits the sale of wines by a rabbi to members of his congregation. It may be stated, however, that a contribution made for general purposes and not as payment for a certain quantity of wine is not considered a sale within the meaning of this provision of the National Prohibition Act.

7. The above is simply an amplification of Regulations 60, the provisions of which are not modified in any respect.

ALFRED D. VAN BUREN,
Acting Prohibition Commissioner.

APPROVED:

J. H. CALLAN,
Acting Commissioner of Internal Revenue.
March 16, 1920.

Narcotic Drugs Coming into the Possession of Field Officers.

TO COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE, and
SUPERVISING FEDERAL PROHIBITION AGENTS.

Pro-Mim. 29 issued under date of January 26, 1920, provided for the transfer of narcotic agents and inspectors from the Revenue Agents' divisions to the Supervising Federal Prohibition Agents' departments, and in this communication you were advised that it was the desire of this office to have such transfer become effective as of February 1, 1920.

With regard to narcotic drugs which have come into the possession of Internal Revenue Agents in charge of divisions, it is hereby directed that all such drugs which will be required further for court evidence be retained until final disposition of the cases involving such evidence has been made. All narcotic drugs in the possession of Internal Revenue Agents in charge of divisions, which are no longer required for court evidence, should be forwarded to this office, Division of Technology, on April 1, 1920, in accordance with instructions No. 2 and No. 4 of M-Mim. 2256, issued under date of September 16, 1919. Without further specific instructions such officials are further directed to forward all drugs which have been retained for court evidence whenever the cases have been closed, the shipment to be made in the usual manner.

Narcotic drugs coming into the possession of Collectors of Internal Revenue will be forwarded to this office in accordance with the provisions of M-Mim. 2256, and no provision of this communication is intended to supersede any provision of the above mentioned mimeograph with regard to narcotic drugs coming into the possession of Collectors.

The provisions of M-Mim. 2256 are hereby made applicable to narcotic drugs coming into the possession of the Supervising Federal Prohibition Agents. In addition to the instructions contained therein, such officials are requested to furnish all statements and inventories classified by States in order that this office may determine the quantity of such drugs secured in each State.

All officials to whom this communication is addressed are directed to make monthly statements relative to the quantity of narcotic drugs in their possession, as directed in instruction No. 1 of the mimeograph to which reference is heretofore made, and Internal Revenue Agents in charge of divisions will notify this office when all narcotic drugs in their possession have been disposed of.

Please acknowledge immediately the receipt of this communication.

H. M. GOLDFORD,
Acting Prohibition Commissioner.

[Signature]
Acting Commissioner of Internal Revenue.
TREASURY DEPARTMENT
Bureau of Internal Revenue
Office of Federal Prohibition Commissioner,
Washington, D.C.

March 17, 1920.

Execution of Internal Revenue Bonds.

TO COLLECTORS OF INTERNAL REVENUE, FEDERAL PROHIBITION ENFORCEMENT OFFICERS, and OTHERS CONCERNED:

A great many of the bonds being received in this office do not bear a statement as to the premium charged by the surety company, upon the basis of which revenue stamps in proper amount are to be affixed to the originals, as required by Schedule A of the Revenue Act approved February 24, 1919. (T.D. 2625, dated April 28, 1919.) Bond approving officers will hereafter require agents of surety companies to place upon all bonds, originals and all copies, requiring revenue stamps, a statement similar to the following:

"The rate of premium on this bond is $_____ per thousand; the total amount of premium charged is $_____; one copy of this bond bears documentary stamps in the amount of $_____; duly cancelled.

In view of the fact that premium statistics are maintained by the Section of Surety Bonds, Treasury Department, in the case of bonds, such as export bonds, which under T. D. 2100, do not require revenue stamps, the agents of bonding companies will be required to place upon such bonds a statement similar to the following: The rate of premium on this bond is $_____; the total amount of premium charged is $______.

In many instances the agents of surety companies write their names in executing Internal Revenue bonds in such a manner as to be utterly undecipherable. As the Section of Surety Bonds of the Treasury Department cannot approve bonds unless they are advised of the names of the agents of the surety companies executing same, this causes considerable delay and correspondence. Accordingly bond approving officers will hereafter see that agents of surety companies write their names legibly so that they may be deciphered without effort by anyone having to read such names; otherwise a Roman letter rubber stamp impression of their names will be placed beneath their autographic signatures or their names will be typewritten beneath such signatures. Bonds should not be approved or forwarded to this office by Bond approving officers unless the names of the agents of surety companies signing same are legibly shown.

Attention is called to the fact that the Revenue Act approved February 24, 1919, requires that revenue stamps be affixed to renewal premium receipts or certificates of extension issued by bonding companies with respect to all classes of Government bonds. (T.D. 2525, dated April 28, 1919). Bonding companies should be required to strictly comply with the provisions of the above mentioned law.

ALFRED D. VAN BUREN,
Acting Prohibition Commissioner.

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
Pro. Min. 55


COLLECTORS' ACCOUNTS OF INDUSTRIAL ALCOHOL BONDED WAREHOUSES
ESTABLISHED UNDER TITLE III. NATIONAL PROHIBITION ACT.

TO COLLECTORS OF INTERNAL REVENUE AND OTHERS CONCERNED:

Proprietors of industrial alcohol bonded warehouses for which permits have been issued under Title III of the National Prohibition Act, whether such warehouses are conducted in connection with industrial alcohol plants or elsewhere, must beginning with April 1, 1920, render the returns and make the reports on forms prescribed in Regulations No. 61.

On the last day of March an inventory will be made at each industrial alcohol bonded warehouse of all alcohol produced subsequent to January 16, 1920, Alcohol in packages produced subsequent to January 16, 1920, will be transferred on the original gauge to the new warehouse accounts on Form 1443B. Proprietors of warehouses will make appropriate entries in Form 1443B indicating such transfers from the old warehouse accounts. A gauge must be made of all spirits in tanks produced subsequent to January 16, 1920, and only the actual quantities in the tanks will be transferred to the account of the warehouse on Form 1443A, and appropriate entries made in this form to indicate such transfers of alcohol. Upon transfer the losses of alcohol from tanks as indicated by the records must be carried in Form 87 and in the Collector's account on Form 94A, Part 1, as casualties. A record must be kept of the loss from each tank separately. The quantities of alcohol transferred to the new accounts according to the original gauge of the packages, and the actual quantities in tanks will be credited in Form 87, at page 2, describing all packages and tanks transferred, and noting the transfer to the account of industrial alcohol bonded warehouse. Credit will likewise be entered at a special line on page 7 of Form 87, as transferred to industrial alcohol bonded warehouse under Title III. Similar credit will be taken in the Collector's Bonded Spirits Account on Form 94A, Part 1, at a special line on page 1, nothing the transfer to industrial alcohol bonded warehouses under Title III. A detailed statement of all such transfers will be made in inside pages of the Collector's account.

At industrial alcohol bonded warehouses approved under Title III in which on March 31, 1920, there are stored spirits other than alcohol produced subsequent to January 16, 1920, only alcohol produced subsequent to that date may be transferred to the new accounts on Forms 1443A and 1443B. All spirits at such warehouses produced prior to January 16, 1920, must be carried in the reports and accounts as heretofore. A Form 87 must be rendered each month and Collectors will continue to carry such spirits in their Bonded Accounts on Form 94A, Part 1. Withdrawal gauges of such spirits must be reported on Form 99.

Collectors will, beginning with the month of April render a monthly account on Form 1267 of transactions at industrial alcohol bonded warehouses.
established under permit in accordance with Regulations No. 61. This form will be made up from the data obtained from forms 1443A and 1443B rendered by the proprietors of bonded warehouses. At line 7 of this account on Form 1487, Collectors will debit the alcohol transferred from the accounts of warehouses on April first, entitling the line, "Transfers from old warehouse account".

The inside pages of Form 1487 will be used for the details of free withdrawals, each withdrawal to be entered separately. A separate statement will also be made of all unaccounted for items of export, and items of alcohol transferred to bonded manufacturing warehouses. A detailed statement will likewise be made of items exported and of deposits in bonded manufacturing warehouse, accounted for as required by regulations. Attention is particularly directed to the necessity of continuing the present outstanding items carried in Form 94A Part 1, in that account until properly accounted for and credited. Outstanding items unaccounted for should not be transferred from Form 94A, Part 1, to the new accounts on Form 1487. Only alcohol and other high proof spirits in warehouse on March 31, 1920, should be so transferred as above indicated.

On the last page of the Collector's account, Form 1487, a recapitulation will be made of transactions at industrial alcohol bonded warehouses, the data to be obtained from Forms 1443A and 1443B made by the proprietors of the warehouses. Separate lines will be used in this recapitulation for uncoopered alcohol and for alcohol in packages.

Losses of alcohol in warehouse for which the proprietors take credit in Form 1443A and 1443B, will be entered in column 8 of the recapitulation in the Collector's Bonded Account on Form 1487, and at line 13 on page 1 of that account. On an inside page of the account Collectors will list the amounts for which proprietors have taken credit in their warehouse Forms 1443A and 1443B. A separate list will be made of items of loss unaccounted for each month outstanding and will be carried in the aggregate at line 30 of Form 1487, Collector's monthly account. Collectors will be advised by this office when such items of losses have been allowed or disallowed, and will thereupon make appropriate entries of the amounts at line 14 on page 1 of the losses which have been allowed, and at line 15 of such losses as have been disallowed and tax paid. Separate detailed statements on inside pages of the accounts will be made in each case of items of losses allowed and losses tax paid.

Losses in transit from one bonded warehouse to another bonded warehouse must be noted by the proprietor of the receiving warehouse in Forms 1443A and 1443B in connection with each shipment. Such losses will be entered by Collectors at line 40 on page 1 of their accounts on Form 1487, and detailed statements made on inside pages of the accounts. Such statements must comprise a list of total losses for the month from shipments to each bonded warehouse in the district. The aggregate of items of loss in transit to warehouses not accounted for must be carried at line 45 on page one and a list of such items so outstanding must be made in detail in the account each month. Collectors will be advised of such losses to be allowed and such as must be tax paid. A list of items allowed will be made in the account and the aggregate entered at line 43 on page one. Items disallowed and tax paid must also be stated in detail and the totals of such items stated at line 44.
It will be noted that the entries on page 1 of the Collector's account on Form 1487, in connection with losses in transit to bonded warehouses, do not enter into the debits or credits of the account. A separate section of page 1 is made up as an account of these items of losses. This method of making up page 1 has been adopted for the reason that in forms 1443A and 1443B, shipping warehouses take credit for the amount actually withdrawn for transfer to other warehouses, and receiving warehouses charge into their accounts only the actual amounts received. The losses in transit do not, therefore, enter into the account of either the shipping or receiving warehouses. The totals of debits at line 11 should be the same as the total of credits at line 38. In the account of losses in transit to other warehouses, the total of debits at line 42 should equal the total of credits at line 47.

Particular attention of Collectors is directed to the provisions of Article 38, of Regulations No. 61, to the effect that industrial alcohol plants which do not maintain an approved bonded warehouse in connection with the plant, will not be permitted to dispose of the alcohol for any other purpose than for denaturation. Such plants not having a bonded warehouse will not render monthly reports on Form 1443A or Form 1443B, but will, in lieu thereof, render monthly reports on Form 1468 in duplicate, forwarding both copies to the Collector of Internal Revenue within five days after the end of the month for which the report is rendered. The Collector will retain one copy, and within five days after the receipt thereof, forward one copy to the Federal Prohibition Commissioner at Washington, D.C. If a denaturing plant is maintained on the premises Form 1468A must also be rendered monthly. Transfers of alcohol in such cases from the industrial alcohol plant to the denaturing plant will be duly noted in both Form 1468 and Form 1468A.

Forms 1487, Collectors' Accounts of industrial alcohol bonded warehouses under Title III, will be furnished in two parts, inside pages and outside pages. Inside pages will be used in sufficient number for the purpose. This account will be made up in duplicate, one copy to be retained by the Collector, and one copy forwarded to the Prohibition Commissioner at Washington, D.C.

In Form 93C, at line 8a, Part 1 of the Recapitulation will be stated the tax on the quantity of alcohol stated at line 12, page 1 of the Collector's account on Form 1487. Collectors will write in ink over the printing at line 8a, the words "Bonded warehouses, Title XIII". Form 93C will be revised as soon as possible and appropriate provision made for entry of tax payments at the new bonded warehouses established under Title III of the National Prohibition Act.

Tax payments on alcohol shipped in tank cars will be entered at line 4, Part 1 of the Recapitulation on Form 93C, and appropriate detailed statements will be made in the body of the form.

Each Collector in whose district approved bonded industrial alcohol warehouses are located will immediately designate a deputy or clerk to thoroughly familiarize himself with the forms and system in connection with the accounting of alcohol deposited in and withdrawn from such warehouses. Very careful attention will be required in connection with the provisions of Regulations No. 61, to the Collector's account on Form 1487, and to the instructions contained herein. It is desired that necessary inquiries be made at once to this
office in cases of uncertainty as to procedure or entries to be made in the accounts. To make correction of errors in these accounts after they are forwarded to this office will be more difficult than to obtain essential instructions in advance. Much confusion will be avoided by the assignment of competent clerks and deputies to this work in Collectors' offices. Monthly account on Form 1487 will be forwarded to this office promptly by Collectors, not later than the tenth day of the month succeeding the month for which the accounts are rendered.

There is at present some uncertainty as to whether the forms for reports and accounts to be rendered by proprietors of industrial alcohol bonded warehouses will be ready for use on April first. In the event proprietors do not receive these forms in ample time for use on April first, the transfer will be made on May first. Inventory for the transfer will then be made on April thirtieth instead of March thirty-first.

H. M. GAYLORD,
Acting Prohibition Commissioner.

Approved:

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
Cooperation of Directors and Agents in case of an investigation of a supposed violation of the National Prohibition Act.

FEDERAL PROHIBITION DIRECTORS and SUPERVISING FEDERAL PROHIBITION AGENTS:

When in case of an investigation of a supposed violation of the National Prohibition Act a Supervising Federal Prohibition Agent or his authorized representative requests of a Federal Prohibition Director access to his records and files which relate to the particular case under investigation, the Director shall extend to the Agent the courtesy of his office and the use of his records and files for this purpose, and shall cooperate with the Agent in the fullest way, rendering him every assistance.

H. M. GAYLORD,
Acting Prohibition Commissioner.

Approved:

PAUL F. MYERS,
Acting Commissioner.
MODIFICATION OF SPECIALLY DENATURED ALCOHOL FORMULA NO. 25.

TO COLLECTORS OF INTERNAL REVENUE AND OTHERS CONCERNED:

Specially denatured alcohol Formula No. 25 is hereby modified as follows:

To every 100 gallons of pure ethyl alcohol add
20 lbs. Iodine, U.S.P. and
15 lbs. Potassium Iodide, U.S.P.

The above modified formula is authorized for the purpose of rendering the content of free iodine in this formula more stable.

PAUL F. MYERS,
Acting Commissioner.
Ac-Pro-Mim. 58

Disbursing Accounts: Address of

TO FEDERAL PROHIBITION ENFORCEMENT OFFICERS
AND OTHERS CONCERNED:

Beginning April 1, 1920, Federal Prohibition Directors
and Supervising Federal Prohibition Agents should address their
disbursing accounts to "Commissioner of Internal Revenue,
Division of Accounts, Washington, D. C."

PAUL F. MYERS,
Acting Commissioner.
March 30, 1920.

Pro-Min. 59

Inspectors and Agents: Assignment to duty of
SUPERVISING FEDERAL PROHIBITION AGENTS and
FEDERAL PROHIBITION DIRECTORS:

In view of the fact that the period of preliminary organization has been passed in nearly every Department and State, Directors and Supervising Agents are hereby directed not to assign inspectors and agents to duty until after their recommendations for the appointment of these inspectors and agents have been approved by the Secretary of the Treasury and due notification of such approval has been received by the Supervising Field Officer.

In exceptional cases, where in the judgment of the Supervising Officer it is imperative that an officer recommended for an appointment be assigned immediately to duty, approval may be requested by wire, with a brief statement of the reasons for the necessity of immediate action, and the Secretary will be asked for informal approval in cases where sufficient reason is made clear.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

April 13, 1920.

Ac-Pro-Mim. 60

Preparation Schedules, Form 63 Revised.

TO FEDERAL PROHIBITION DIRECTORS AND
SUPERVISING FEDERAL PROHIBITION AGENTS

Paragraph 9 of Ac-Pro-Mim. 16, dated December 16, 1919, provides that, in the preparation of schedules, Form 63, the vouchers of each class of employees be scheduled together under the title of the particular class, each group being sub-totaled with the recapitulation and grand total at the end. In the future, the vouchers of each class of employees should also be arranged on the schedules alphabetically.

WM. M. WILLIAMS;
Commissioner.
April 14, 1920.

TO COLLECTORS OF INTERNAL REVENUE AND OTHERS CONCERNED:

The following formula, to be known as Specially Denatured Alcohol Formula No. 34, is hereby authorized for use as a solvent of cellulose acetate in the manufacture of artificial silk:

To every 100 parts by volume of pure ethyl alcohol add 5 parts by volume of tetrachlorethane.

The tetrachlorethane authorized to be used in this formula is the substance acetylene tetrachloride, commonly known as tetrachlorethane having a boiling point of approximately 147°C.

The above formula will be authorized in the manufacture of artificial silk.

WM. M. WILLIAMS
Commissioner.
Pro-Mim. 63.

Distribution of Physicians' record of prescriptions (Form 1402) and Physicians' prescription blanks (Form 1403).

COLLECTORS OF INTERNAL REVENUE AND FEDERAL PROHIBITION DIRECTORS:

Complaints have been received that physicians to whom permits have been granted to prescribe intoxicating liquor for medicinal purposes have not been supplied with the Physicians' prescription blanks (Form 1403) and the book (Form 1402) in which a record must be kept of every prescription issued for intoxicating liquor.

Directors should, at the time of forwarding approved permits to physicians, also send one book of prescription blanks and one physician's record of prescriptions. The books of physicians' prescription blanks should in every instance be sent by registered mail in order to safeguard against the same falling into the hands of persons unauthorized to use them. The expense incurred in registering these books should be charged against your postal allowance. In case the book of prescription blanks mailed is not received by the physician to whom sent, this office should be immediately advised.

Regulations No. 60 provides that not more than one book of prescription blanks should be issued to the same physician at one time. A physician may, however, procure a book of blanks when the blanks remaining in the book in his possession are only sufficient to meet his requirements until a new book can be obtained from the Director. Books containing the stubs must be returned to the Director from whom secured immediately after the last prescription blank contained therein has been used.

A survey of requisitions discloses that almost invariably offices request an equal number of Forms 1402 and 1403. Attention is directed to the fact that the physicians' record of prescriptions issued (Form 1402) probably contains sufficient spaces to accommodate the recording of blanks contained in five books of Form 1403.

This fact should be borne in mind and after the initial issue of this record to physicians is made, requisitions should be prepared accordingly.

APPROVED:

JOHN F. KRAMER
Prohibition Commissioner.

WM. M. WILLIAMS
Commissioner of Internal Revenue.
NEW APPLICATIONS TO BE FILED BY CEREAL BEVERAGE MANUFACTURERS.

TO FEDERAL PROHIBITION DIRECTIONS AND OTHERS CONCERNED:

In order to comply with the provisions of the National Prohibition Act requiring the reissuance of permits during the present calendar year, you are directed to inform all manufacturers of cereal beverages who have previously qualified, as provided in Pro-Min. No. 3, to file with you new applications in triplicate on Form 1404 in order that new permits, Form 1405, may be issued.

Where such plants operating under Section 37, Title II, of the National Prohibition Act have received permits, Form 1405, dated January 17, 1920, and subsequent thereto, it will not be necessary that new applications be filed.

Particular attention is called to the fact that this applies to manufacturers of cereal beverages only.

JOHN F. KRAMER
Prohibition Commissioner.

APPROVED:

WILLIAM M. WILLIAMS
Commissioner of Internal Revenue.
TREASURY DEPARTMENT
Bureau of Internal Revenue
Office of Federal Prohibition Commissioner
Washington, D.C.

April 14, 1920.

Pro. Mm. 64.

Transfers of duplicate copies of monthly narcotic returns from Collectors to Supervising Federal Prohibition Agents.

TO COLLECTORS OF INTERNAL REVENUE AND SUPERVISING FEDERAL PROHIBITION AGENTS:

Article 81 of Regulations 35 provides that persons registered under the Act of December 17, 1914, as amended, as manufacturers, importers, compounders and producers will render monthly returns under oath in duplicate to the Collector of Internal Revenue on the first day of each month succeeding that for which rendered or within 15 days thereafter. Article 86 provides that persons registered under the said Act, as amended, as wholesale dealers will render monthly returns as such in the same manner. Article 91 provides that Collectors will forward the original returns to this office within 10 days after receipt from taxpayers, the duplicate returns to be retained in the Collectors' offices.

In view of the fact that these returns may contain information which will be valuable in making investigations of suspected violations of the law, it has been deemed advisable to have the duplicate returns transferred from the custody of the Collectors to the office of the Supervising Federal Prohibition Agents for permanent filing. Accordingly, each Collector will be notified by this office when the general audit of all returns for his district has been completed, and the duplicate copies for such returns will be at once transmitted to the proper Supervising Federal Prohibition Agent without further direction from this office. In no instance should such transfers be made until such authority is received from this office, and each Supervising Federal Prohibition Agent is hereby directed to prepare monthly in duplicate a letter acknowledging receipt of all returns received from the Collector. This letter should be addressed to the Collector and the original should be forwarded to him and the duplicate forwarded to this office.

Please acknowledge immediately the receipt of this communication.

JOHN F. KRAMER
Prohibition Commissioner.

APPROVED:

WM. M. WILLIAMS
Commissioner of Internal Revenue.
TO COLLECTORS OF INTERNAL REVENUE AND
SUPERVISING FEDERAL PROHIBITION AGENTS:

The Comptroller of the Treasury has recently ruled that the expense incurred in the purchase of small quantities of narcotics to be used as evidence for enforcing the provisions of the Narcotic Law must be considered as incident to the enforcement of such law, and such expenses are payable from the appropriation "Restricting the sale of opium, etc.," rather than from the appropriation "Collecting the war revenue," which has a proviso therein for paying expenses for detecting and bringing to trial, persons guilty of violating the internal revenue laws.

It was also ruled that the appropriation for enforcing the provisions of the National Prohibition Act is exclusively available for the payment of all proper expenses incurred in connection therewith, including investigation and report of violations of its provisions. It therefore follows that no expense incident to detecting and bringing to trial persons guilty of the violation of such law will be paid from the appropriation "Collecting the war revenue." The expense of any lawful and proper purchase of evidence incurred by officials employed under the appropriation for enforcing the National Prohibition Act is a charge against the specific appropriation made for such enforcement.

The only expenses incurred incident to the enforcement of the National Prohibition Act that will not be paid from the appropriation provided for that purpose are such expenses as are incurred incident to the seizure and sale of property seized for violation of the internal revenue laws, which involve a violation of the National Prohibition Act as well, in which case the expenses will be paid by the Collector of Internal Revenue from the appropriation "Salaries and expenses of Collectors of Internal Revenue," provided the seized property is of the appraised value of $500.00 or less. In this connection, your attention is invited to Pro-Mem., MFW, dated January 21, Section 8, under the heading "Duties of Supervising Federal Prohibition Agents."

The above is furnished for your information and guidance.

EM. M. WILLIAMS,
Commissioner.
Certificate of Deposit, Form 6599.

TO FEDERAL PROHIBITION ENFORCEMENT OFFICERS AND OTHERS CONCERNED:

Federal Prohibition Directors and Supervising Federal Prohibition Agents in making redeposits of funds with the Treasurer of the United States to be placed to their official credit subject to check, should prepare same on Form 6599, in quadruplicate, the duplicate copy to be forwarded to the Commissioner of Internal Revenue. The duplicate certificates should show the purpose for which the deposits are made and the items which make up the total deposit in each case. This can be shown either on the face or when necessary upon the back of the certificate and should be forwarded to the Commissioner (Division of Accounts) on the day the respective deposits are made.

Failure to forward the duplicate certificate of deposit may subject their accounts to delay in settlement, and possible suspension of the item, or items, reported in an account to have been deposited but not supported by a duplicate certificate.

WM. M. WILLIAMS,
Commissioner.
With the approach of the end of the fiscal year 1920, Federal Prohibition Directors and Supervising Federal Prohibition Agents, in preparing Form 42, Estimate of Expenses, are requested to ask for only such amounts as will be actually needed to pay the salaries earned and expenses incurred from the various appropriations during the month for which estimate is made. Columns headed "Total amount required for the month", "Less amount on hand" and "Amount asked for" should be completely and accurately filled out. Under the last mentioned heading should be shown amounts required for that month less the balance on hand.

That delay in placing funds to the credit of Special Disbursing Agents may be avoided, vouchers for the previous month evidencing payment should be forwarded to this office not later than the tenth of the month (Section 12 of the Act of July 31, 1894; 28 Stat., 209) so that they may be used as a credit against the disbursing bond.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
April 19, 1920.

Pro. Min. 68

Instructions relative to rendition of Forms 1426 and 1427.

TO SUPERVISING FEDERAL PROHIBITION AGENTS,
FEDERAL PROHIBITION DIRECTORS, and
COLLECTORS OF INTERNAL REVENUE:

Forms 1426 and 1427 should be rendered monthly, in duplicate, one copy of each to be retained in the files of the Supervising Federal Prohibition Agent, the original to be sent to the Commissioner of Internal Revenue on or before the 10th day of the month following the one to which it relates.

Form 1426.

Each report to this office of violations involving the internal revenue laws and the National Prohibition Act will be given a serial number by the Supervising Federal Prohibition Agent beginning with No. 1 and running consecutively. No entry should be made in the column headed "Bureau Serial Number," since this entry will be made in the bureau.

In column headed "Taxes Actually Collected," it will be necessary for collectors to advise Supervising Federal Prohibition Agents at least monthly as to any collection made in cases reported by Supervising Federal Prohibition Agents, so that the record can be made complete. Copy of this report should be sent by Collectors to this office so that the necessary entries on Form 1426 can be made in the Bureau.

In sales made by Supervising Federal Prohibition Agents where property has been appraised and the value is $500 or less, the gross proceeds of such sale should be delivered to the proper collector and his receipt taken therefor. Such gross proceeds should not be deposited by Supervising Federal Prohibition Agents or by Directors, but should be sent to Collectors for such action.

Any necessary expense incurred incident to the sale of seized property where appraised at $500 or less should be paid by the Collector of Internal Revenue from the appropriation for "Salaries and Expenses of Collectors of Internal Revenue," Vouchers covering such expenses should be submitted to the Collector on Form 618 or, in case of advertising on Form 153. (See Regs. No. 2.)
Where persons are reported to the District Attorney for prosecution and such action is taken, copies of reports on Forms 112 and 113 should be furnished the Supervising Federal Prohibition Agent at least monthly by the District Attorney showing what final action was taken in the case, so that complete record can be made in the records of the Supervising Federal Prohibition Agent. Copy of this report should be sent to the Commissioner of Internal Revenue, so that necessary entries can be made on Form 1426 in the Bureau.

Offers in compromise should be submitted to the Collector of Internal Revenue who in turn should promptly advise the Supervising Federal Prohibition Agent and proper District Attorney of any offers submitted so that record can be made on the records of such officers. Notices will be sent to the Supervising Federal Prohibition Agent by the Commissioner whenever an offer in compromise has been accepted or rejected. Collectors of Internal Revenue should promptly advise the Commissioner of Internal Revenue of all offers in compromise submitted.

Collectors should also advise Supervising Federal Prohibition Agents promptly of all receipts from clerks of courts under the provisions of Section 3216, P. L. and should identify each case so that the Supervising Federal Prohibition Agent can make proper entry on his records. Copy of such report should be furnished the Commissioner of Internal Revenue.

**Form 1427**

Line 1. Enter on this line only the seizures or destruction of complete illicit distilleries, which include still, cap, worm and other apparatus necessary for the manufacture of distilled spirits.

2. Enter the separate stills destroyed which are not included on line 1.

3. Enter the separate still worms destroyed which are not included on line 1.

4. Enter the number of gallons of spirits seized and destroyed. (This does not enter into record on line 1.)

5. Enter number of gallons of spirits seized but not destroyed. (This does not include entry on lines 1 or 4.)

6. Enter number of fermenters seized and destroyed. (This should include fermenters found at illicit distilleries, reported on line 1.)

7. Enter number of gallons of beer seized or destroyed. (This should include beer found at illicit distilleries, reported on line 1.)
8. Similar to 7.

9 and 10. Self-explanatory.

11 - 12 - 13. Information for these entries should be furnished at least monthly to the Supervising Federal Prohibition Agent by the District Attorney, so that complete record of cases may be kept. Copies of these reports should be furnished the Commissioner of Internal Revenue.

14. Information for these entries should be secured from the Collector of Internal Revenue, who should report immediately all offers tendered.

15. Entries on this line will be made from data furnished Supervising Federal Prohibition Agents by the Bureau.

16. Information for these entries should be secured from Collector, based on reports from clerks of courts.

17. Same as 16, although this entry will indicate total amounts in each case, including fine.

18, 19 and 20. Self-explanatory.

21. This information must be secured from the Collector of Internal Revenue who should report in detail at least monthly to the Supervising Federal Prohibition Agent as to collections made on reports of Supervising Federal Prohibition Agents covering violations. Copies of such reports should be furnished by the Collector to the Commissioner of Internal Revenue.


Reports on Forms 117, 161 and 209, and entries on Record 51, insofar as the National Prohibition Act and the Internal Revenue Laws relating thereto are concerned will no longer be required.

Forms 1426 and 1427 are now in the hands of the printer and will be distributed to Supervising Federal Prohibition Agents as soon as received.

JOHN F. KRAKER,  
Prohibition Commissioner.

Approved:

WM. M. WILLIAMS,  
Commissioner of Internal Revenue.
April 21, 1920.

Pro. Mim. 69

Examination of Monthly Narcotic Returns by Collectors.

TO COLLECTORS OF INTERNAL REVENUE:

Many monthly narcotic returns rendered for the month of February, 1920, by persons registered as importers, manufacturers, and wholesale dealers under the Act of December 17, 1914, as amended, have been incomplete with regard to certain details which might have been conveniently included by such persons, and it has, therefore, been deemed advisable to direct Collectors to advise any of such registrants with regard to any incompleteness of a return submitted. Collectors should not attempt to verify each item reported on inside sheets of returns by making a mathematical audit of the return but each return should be carefully examined to see that all details as required in the respective instructions have been included.

Forms 810a and 810b should be headed in accordance with the kind of items entered on the page as provided in Articles 82 and 83 of Regulations 35, and arranged with consecutive numbers for all pages of all inside sheets. These forms are provided with outlined spaces for such headings and blank spaces for page numbers, and it is essential that special attention be given to these features. Returns in which are reported items for which the amount of stamp tax is not given in the column headed "Total amount of tax" should not be forwarded to this office until such amount have been ascertained and properly entered. Totals must be made and carried forward on each page of Form 810a for the columns headed "Number of taxable packages" and "Total amount of tax" and like totals should be entered on each page of Form 810b.

With regard to Forms 811a and 811b it is likewise necessary that all pages be headed as provided in Articles 87 and 88 of Regulations 35, and that all such pages be serially numbered for each return. The total number of taxable packages should be computed and carried forward on each page of Form 811a and likewise on each page of Form 811b.

In Pro. Mim. 22, issued under date of January 5, 1920, you were instructed that each person who is required to file either or both of the monthly narcotic returns, should be advised by you immediately that no order form may be filled in the future, which does not bear the name, address, registry number, and class or classes in which registered, of the purchaser. Provision was further made therein for the affixing of class numbers to order forms and it is accordingly hereby provided that each item entered on Form 810b or 811b which consists of a transaction between registered persons must be completely reported with regard to the name and address, the registry and class numbers, and the district of the purchaser.
The quantity of exempt preparations received or disposed of by class 1 registrants, who are also registered in class 5, must not be reported on any of these forms, but such persons must report on Form 810a the receipt of all taxable narcotic products whether intended for the manufacture of taxable or non-taxable drugs or preparations, and the quantities of all such products used in the manufacture of exempt preparations must be reported on line 3 of the summary of Form 810. Any quantities reported on Form 810a as received which are a part of line 3 of the summary should not be included with the quantities reported on lines 1 and 5. Article 56 of Regulations 35 provides that the quantity to be reported on line 1 will include unmixed drugs and those contained in mixed preparations and remedies, both taxable and exempted. Accordingly, quantities of taxable narcotics contained in exempt preparations, as reported on line 1 of the summary for the month of February, which have been sold or otherwise disposed of at any time subsequent to that date will be accounted for by reporting the same as a part or all, as the case may be, of the quantities given on line 3. In like manner class 2 registrants, who are also registered in class 5, will report on Form 811a the receipt of all taxable packages whether intended for sale in such packages or for use in the manufacture of exempt preparations, and all packages used in such manufacture must be reported on Form 811b as transferred to the registrant's class 5 stock.

A person registered in classes 1 and 3 must take up in his class 1 account the receipt of all narcotics to be used in his class 1 business by reporting the same on Form 810a. Narcotics may not be transferred from his class 3 stock to his class 1 stock unless such narcotics have been reported previously on Form 810a, as being received either as importations or domestic receipts. Inasmuch as narcotics so received may be transferred to the class 3 stock by reporting their disposition on Form 810b, narcotics which have been reported previously on Form 810a, as stated in the preceding sentence, may be transferred back to the class 1 stock from the class 3 stock as returned goods in the same manner as if received from a separate person as returned goods. In no instance is such person to be permitted to receive all narcotics as a retail dealer and subsequently use all or any part thereof in manufacturing or producing taxable packages. Neither is such person to be permitted to use, in manufacturing, those drugs which were not included on line 1 of the summary of Form 810 of the first return. Rigid compliance with the provisions of this paragraph must be made, and Collectors should promptly instruct all persons concerned who are not informed in this respect.

For the purpose of these returns the quantities to be reported on Forms 810, 810a and 810b in ounces and grains, shall be computed in terms of avoirdupois ounces and each ounce will accordingly be regarded as 437.5 grains.

Collectors should not attempt to see that the summary of Form 810 is mathematically correct for the report, but the summary of Form 811 must be a recapitulation for the entire return. The balance on hand at the beginning of the month reported in the summaries of Forms 810 and 811, should be verified by reference to the quantity or quantities reported on hand at the close of the preceding month in the returns rendered for such month. It is necessary
that the stamp account be a perfectly balanced statement, and in all cases
where quantities are reported on line 2 of the summary a stamp account must
be furnished. The stamp account on each manufacturer's return should be
checked with the account of stamps issued in the Collector's office in order
to see that all stamps issued by the Collector have been properly accounted
for, and the verification of this account should be indicated in the Collector's
office by a pen or pencil check for each line of the stamp account. The
sworn statement must be included on both the original and duplicate copies
of the return rendered, and when executed before a person having an official
seal an imprint thereof must be made on both copies. The power of attorney
to be furnished for other than a member of the firm or duly elected officer
must be subscribed and sworn to by a member thereof. Collectors are directed
to secure powers of attorney immediately from all companies or firms whose
returns are executed by such persons. Such instruments must be prepared in
duplicate in the manner provided in T.D. 1263, issued under date of October
31, 1907, and the duplicate copies must be furnished this office at the earliest
possible date, unless the same have been forwarded with the February returns.

Before forwarding any return to this office the Collector should see that
a power of attorney has been furnished for the person signing the return
unless such person is the owner, or a member or duly elected official of the
firm, and such verification must be indicated by placing a pen or pencil check
after the name.

All narcotic returns for any month should be packed flat and forwarded
to this office in a single shipment, which should be made before the 26th of
the month succeeding that for which the returns have been rendered. A letter
of transmittal should be furnished for each shipment and such letter should
state whether all returns for the month are included in the shipment and, if
not, the names of the delinquents should be given.

In order that this office may make specific suggestions with regard to
any difficulty experienced in handling this matter, it is directed that a

In order that this office may make specific suggestions with regard to
any difficulty experienced in handling this matter, it is directed that a
communication be addressed to this office, Division of Audit and Statistics,
99 or before April 30, 1920, if possible, outlining the procedure which will
be followed for carrying into effect each of the provisions herein set forth.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:
WM. M. WILLIAMS,
Commissioner of Internal Revenue.
April 22, 1920.

Pro. Min. 70

Additional modifying agent for Toilet Preparations to render them unfit for Beverage Purposes.

TO FEDERAL PROHIBITION DIRECTORS
AND OTHERS CONCERNED:

The following optional modifying agent in addition to those set forth in Prohibition Min. No. 36, is hereby authorized for use in toilet preparations to render them unfit for use for beverage purposes:

Sodium Salicylate, 5 grains per fluid ounce.

JOHN F. KRAMER,
Prohibition Commissioner.

APPROVED:

Wm. N. WILLIAMS,
Commissioner of Internal Revenue.
TO SUPERVISING FEDERAL PROHIBITION AGENTS,
INTERNAL REVENUE AGENTS IN CHARGE, and
COLLECTORS OF INTERNAL REVENUE:

Supervising Federal Prohibition Agents are now in a position to
handle all narcotic matters in the manner indicated in Mimeo
Pro-Mim., dated January 21, 1920, and, in cases where work has not
been taken over by these officials, the following instructions will
govern the action of those concerned under this reorganization.

Revenue Agents in Charge are directed to turn over all narcotic
cases and other narcotic files to Supervising Federal Prohibition
Agents, in whose geographical department they are located, at the
earliest practicable date.

Collectors of Internal Revenue are directed to forward all
narcotic cases and other narcotic files (including closed cases)
except cases of other narcotic matters which are pending and which
under the provisions of the above mentioned Mimeo are to be
handled by them until completed, to the Supervising Federal Prohibi-
tion Agent having jurisdiction over their territory. Upon their
completion the closed cases should also be forwarded to the Sup-
ervising Federal Prohibition Agents.

It is especially desirable that the Supervising Federal Prohibi-
tion Agents be furnished with the entire narcotic file since the
inception of the original Act of December 17, 1914, in order that
these officials may have the benefit of the experiences of those who
previously handled the cases.

JOHN F. KRAMER
Prohibition Commissioner.

APPROVED:

WM. M. WILLIAMS
Commissioner of Internal Revenue.
TO COLLECTORS OF INTERNAL REVENUE
AND OTHERS CONCERNED:

The following formula for Specially Denatured Alcohol
Formula No. 35, is hereby authorized:

To every 100 parts by volume of pure ethyl alcohol add - 35 parts by volume of ethyl acetate.

The above named formula is authorized for use in the manufacture of

"Acetparamidophenolsalol".

WM. M. WILLIAMS,
Commissioner.
April 26, 1920.

Pro. Mm. 73

Notation on bonds Forms 1408 and 1409.

TO FEDERAL PROHIBITION DIRECTORS AND OTHERS CONCERNED:

In order to facilitate the handling of bonds, Forms 1408 and 1409, and correspondence pertaining thereto, you are directed to have stamped on each such bond just what it covers; for example:

Use or sale of distilled spirits and wines for other than beverage purposes.
Bonded winery or storeroom No. ______.
Dealcoholizing plant.

JOHN F. KRAMER,
Prohibition Commissioner.

APPROVED:

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
Pro. Mm. 74.

Delinquency in filling application for Narcotic Special Tax Stamps--Revoking M-Mim. 2277.

TO COLLECTORS OF INTERNAL REVENUE, SUPERVISING FEDERAL PROHIBITION AGENTS, REVENUE AGENTS IN CHARGE, AND OTHERS CONCERNED:

The provisions of M-Mim. 2277 dated October 14, 1919, so far as they relate to the liability for failure to register under the Harrison Narcotic Law, as amended, within the required time, are hereby revoked and regulations to govern such cases in the future are provided. Nothing herein contained is intended to supersede any former instructions relating to delinquencies in payment of special taxes under the oleomargarine, renovated butter, and filled cheese laws.

Unless the taxes and penalties incurred in delinquent cases under the Harrison Narcotic Law are paid in advance, in which event they must be reported on the list in advance, collectors will observe the instructions of this office as contained in Ac. Mm. 1655, Oct. 27, 1917, Article 16, as follows:

"Hereafter collectors shall not enter on assessment lists additional taxes recommended by revenue agents or resulting from the examination of returns, reports, accounts, etc. Instead, these items will be placed on the assessment list in the Commissioner's office. Collectors shall forward to the administrative division concerned, for review and entry on the assessment list, each recommendation for assessment made by a deputy collector reporting directly to the collector. This will leave for entry by collectors on Forms 23, 23a and 23b only items based on returns made by taxpayers acknowledging liability. It is expected, however, that collectors will make every effort to collect, without assessment, taxes reported by officers to be due."

The same effort should be made to collect penalties in advance where the same have been incurred and the excuse offered for failure to file return in time is not in the Collector's opinion a reasonable cause for delinquency.

All papers relating to liabilities incurred under the Harrison Narcotic Law should be forwarded to this office, whether return is filed or not, in advance of assessment lists, if possible, in order that they may receive proper consideration and be prepared for final disposition when the list is received. In cases where returns are filed and the taxpayer is reported on the list in accordance with the provisions of Mmograph 1655, above referred to, if the delinquency is due to any of the ten reasonable causes covered by Com. Mim. 2200, dated July 12, 1919, and the 25% penalty is not recommended, notation to that effect should be made against memorandum entry
of the tax on the assessment list, when prepared, with a reference to the
papers forwarded in the case.

In cases of first delinquency, where the 25 per cent penalty is due,
the taxpayer should be written an admonitory letter and informed that a
second delinquency may subject him to specific penalty in addition to the
25 per cent penalty for engaging in business without filing a return as
required by law.

In case of a second offense, in addition to being required to pay the
special tax with 25 per cent penalty, the delinquent should be called upon
for a written explanation and reported to this office for doing business
without payment of tax. The Supervising Federal Prohibition Agent 'or the
Collector in all cases should include his recommendation and is hereby
specifically instructed to make a full report of the facts to this office.

If upon review of the case in this office the excuse is deemed to be not
acceptable, the Supervising Federal Prohibition Agent or the Collector, if
the original report was made by him, will be so informed, and the violator
should then be advised of the privilege of submitting an offer in compromise
of his liability. This offer, it is believed, should be between ten and
twenty-five dollars in proportion to the gravity of the offense. Such
offer should be transmitted to this office in the regular manner for
consideration.

For the sake of uniformity in rendering assessment reports it is
directed that you mark the report in the upper left hand corner directly
below the seal of your office and above the address as follows:

**Narcotic Assessment**

The report should be made on the usual correspondence size paper
(8 X 10") and a separate report should be submitted in each case.

The following form is suggested for the body of the letter:

**John H. Brown Co.,**
**230 Q St., N. W.,**
**Washington, D. C.**

is reported for failure to register under the Harrison Narcotic Law, as
amended, liability as follows:

<table>
<thead>
<tr>
<th>Class</th>
<th>Jan. 1, 1919 to June 30, 1919</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1</td>
<td>$12.00</td>
<td>3.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class 2</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 2</td>
<td>6.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class 3</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 3</td>
<td>1.50</td>
</tr>
</tbody>
</table>

Total $24.38

<table>
<thead>
<tr>
<th>Class 1</th>
<th>Fiscal year 1920</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1</td>
<td>$24.00</td>
<td>6.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class 2</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 2</td>
<td>12.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class 3</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 3</td>
<td>6.00</td>
</tr>
</tbody>
</table>

Total $30.00
First offense.

The delinquency is satisfactorily explained in the enclosed statement of taxpayer as coming within one of the ten reasonable causes outlined in Com. Misc. 2300 and taxpayer has been admonished.

I believe the violation was unintentional and recommend that the case be closed.

The written explanation of the taxpayer is enclosed this being his second, (third or fourth, etc., as the case may be), delinquency and I recommend that the case be compromised for an amount not less than $ in addition to tax and penalty.

The case has (not) been reported to the United States Attorney.

In view of the fact that sufficient time has elapsed to enable narcotic taxpayers to become acquainted with their liabilities under the several classes, they will no longer be excused from payment of tax in any class on the grounds that the liability is technical and that they were ignorant of the provisions of the law.

Please bring these instructions to the attention of every inspector and deputy collector engaged on narcotic work and see that they are thoroughly understood and observed.

Please acknowledge the date of receipt of this letter by return mail.

JOHN F. KRAMER

Prohibition Commissioner.

APPROVED:

WM. M. WILLIAMS

Commissioner of Internal Revenue.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner
Washington, D.C.

May 3, 1920.

Pro. Mim. 75

Limiting use of Telegraph and Long Distance Telephones.

SUPERVISING FEDERAL PROHIBITION AGENTS AND FEDERAL PROHIBITION DIRECTORS:

In many instances field officers in the prohibition field organization have been resorting to telegraphic communication with the Bureau at Washington, where ordinary postal communication would be adequate.

A great saving of our appropriation will be effected if telegraphic expense is minimized. You are, therefore, requested to exercise the greatest economy in the use of the telegram. Please instruct your subordinate officers accordingly in order that this policy may be effectively carried out.

Your attention is also invited to the rule that the long distance telephone is to be employed only where the secrecy of the communication will not permit of the use of the telegraph and the urgency of the case renders postal communication inexpedient.

JOHN F. KRAMER
Prohibition Commissioner.

APPROVED:

WM. M. WILLIAMS
Commissioner of Internal Revenue.
TRIERSURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner
Washington, D.C.

May 6, 1920.

Pro. Mem. 76

Procedure to be followed in preferring charges against Field Employees.

SUPERVISING FEDERAL PROHIBITION AGENTS AND FEDERAL PROHIBITION DIRECTORS:

In every case where delinquencies or misconduct on the part of a prohibition agent, inspector, or other employee of the Prohibition Unit are brought to your attention, the Prohibition Commissioner should be promptly notified by letter, or by telegraph, if deemed necessary. If the offense is considered sufficiently grave, suspension from duty and pay pending investigation should be recommended.

Insubordination, corrupt practices, dishonesty in relations with fellow employees, superior officers, the public, or the Government, or any act involving moral turpitude will be considered sufficient grounds for the suspension from duty of an employee in the prohibition field organization.

Formal suspension of an employee will not be ordered by a superior officer until authority for such action has been received from this office. The only ground for exception to this rule would be a flagrant case of misconduct where subsequent retention of the officer guilty of such misconduct would subject the Bureau to public criticism or jeopardize the interests of the service.

The Supervising Field Officer should proceed promptly to investigate the case, either personally or by detail of a competent agent under his jurisdiction. When practicable, affidavits should be obtained from persons possessing essential information. If the investigation indicates that disciplinary action should be taken, a letter of charges should be prepared by the Supervising Field Officer and handed personally to the employee under investigation or forwarded to him by registered mail, and he should be requested to make a written reply thereto showing cause why he should not be removed from the service or otherwise disciplined. He should be directed to submit his reply to the investigator within a specified time. Ordinarily three to five days is ample, and in no case should more than fifteen days be allowed.
Careful consideration should be given to his reply, and to all facts in the case, and a report prepared and submitted to the Bureau through the Supervising Field Officer. This report should embody all pertinent facts and evidence, and should include a recommendation as to the disciplinary action to be taken. A copy of the letter of charges and the original of the reply from the person under investigation should be submitted with the report, together with all papers relating to the case. Affidavits and other material papers, including a copy of the letter of charges and the reply thereto, should be marked as Exhibits A, B, C, etc., and be referred to as such in the report.

In those instances where investigation leads to the belief that a violation of the United States laws is involved, all facts and evidence should be submitted in writing to the Commissioner with reference to the particular laws in question. The case will be carefully considered and the supervising officer will be advised as to whether the case should be reported to the United States Attorney.

H. M. GAYLORD,
Acting Prohibition Commissioner.

Approved:

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
Temporary Field Appointments.

SUPERVISING FEDERAL PROHIBITION AGENTS and
FEDERAL PROHIBITION DIRECTORS:

In those cases where you feel the necessity of recommending to this office the appointment of field employees, either clerks or officers, for temporary periods, and where the nature of the cases makes it imperative that there be an immediate assignment to duty of such employee, it will be necessary that in writing or telegraphing the Bureau, as the nature of the case may demand, you indicate to this office the reasons or the necessity for the temporary appointment and immediate assignment to duty.

*Please give this matter your careful attention.*

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
TREASURY DEPARTMENT  
Office of Commissioner of Internal Revenue  
Washington, D.C.  

May 10, 1920.

Pro-Tech, Min. 78

Color specification for approved pyridine waived.

COLLECTORS OF INTERNAL REVENUE AND  
OTHERS CONCERNED:

The Appendix to Regulations No. 61, which gives the  
specifications for approved denaturants, provides that the  
color of approved pyridine bases must be the same as that  
specified for approved wood alcohol.

Treasury Decision No. 2237 provided for the waiving  
of the color specification for approved pyridine until fur- 
ther notice.

The difficulties now being experienced in obtain- 
ing approved pyridine which will conform to the color speci- 
fications given in the Appendix of Regulations No. 61 make  
it advisable to specifically waive the same at this time until  
further notice.

WM. M. WILLIAMS,  
Commissioner.
Transfers of Employees from Collectors and Revenue Agents Offices to Prohibition Field Organization.

SUPERVISING FEDERAL PROHIBITION AGENTS AND FEDERAL PROHIBITION DIRECTORS:

The established policy governing transfers of internal revenue officers to the prohibition field forces, contemplates that in all such cases the transfer shall be effected at the salary the officer has been receiving in the branch of internal revenue service from which he is transferred. Supervising Field Officers of the prohibition force are accordingly urged not to encourage employees whom they desire to transfer to their forces in the belief that a higher salary will be paid them as prohibition officers. Furthermore, supervising prohibition officers should not recommend to the Department transfers at an increase of compensation.

The single exception to this rule is in cases where the employee to be transferred does not at the present time occupy an executive position and is not charged with authority over other employees, but where he is to be transferred to a position of executive authority in which it will be important that his compensation exceed that of the employees he is to supervise. In such cases, if recommendations be made for increases of compensation, it should be accompanied by a full statement of the character of position he is to occupy in the prohibition service, the number of employees that will be under his executive control, and the salaries paid these subordinate officials.

JOEF F. KRAKER,
Prohibition Commissioner.

Approved:

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
May 15, 1920.

INSTRUCTIONS RELATIVE TO OBTAINING WINE WHERE THERE IS A HIERARCHICAL FORM OF ORGANIZATION:

TO COLLECTORS OF INTERNAL REVENUE, FEDERAL PROHIBITION DIRECTORS, AND OTHERS CONCERNED:

The following is a brief resume of instructions contained in Regulations 60, relative to procuring wine for sacramental purposes or like religious rites, for the use of Churches or Congregations organized in an hierarchical form.

The head of the ecclesiastical jurisdiction (ordinarily the bishop of the diocese or a corresponding official who is at the head of some territorial association of churches) must approve all applications for sacramental wines made by individual ministers of the gospel, priests, or duly authorized church officials, on Form 1412, or he may designate some minister of the gospel, priest, or other church official to approve such applications. He should notify the Federal Prohibition Director of his State whether he will approve such applications himself, or should furnish him the name, title, and address of the person designated by him to approve same.

Individual ministers of the gospel, priests, or duly authorized church officials desiring to procure wine for sacramental purposes or like religious rites, must make application on Form 1412, making a sufficient number of copies in each case as indicated below, and after signing all copies, send same to the official designated by the head of the ecclesiastical jurisdiction to approve same.

In case the wine is to be delivered by the vendor and no other transportation is involved, three copies of the application should be made. In case transportation by another agent or carrier is involved and the wine is to be delivered to the consignee from the station of a railroad company by a local carrier holding permit to transport liquor, such as a drayman, five copies of the application should be made.

As stated above, all copies of the application should be forwarded by the applicant to the official designated by the head of the ecclesiastical jurisdiction for his approval. After approval, he will send all copies to the wine maker or dealer mentioned therein who is to furnish the wines. When the wines have been shipped, or if not shipped, delivered by the vendor, the vendor will note the quantity actually shipped or delivered on each copy of the application, together with the date of shipment or delivery, and will...
promptly send one copy to the Federal Prohibition Director of the State in which the applicant is located, send one copy to the ecclesiastical official who approved the application, and retain one copy on file as authority for the shipment. When more than three copies are filed with the vendor, the remaining copy or copies should be forwarded to the applicant. The Federal Prohibition Director and the church official approving such applications will retain and file same when received from the vendor.

In cases where five copies of the application are filled out as above, (i.e., where there is a local transportation to the consignee from the station of the railroad company by a local carrier holding permit to transport intoxicating liquor) the consignee must furnish the local carrier with two copies of application, Form 1412, duly approved, covering the particular wines to be delivered, one of which will be filed by the local carrier, and the other furnished by him to the railroad company for its files. Where the wines are delivered by the railroad company or carrier which received same from the consignor, one copy of application, Form 1412, duly approved, must be furnished by the consignee to the carrier as authority for the latter to deliver the wines.

It is essential that these additional copies of Form 1412, approved by the head of the ecclesiastical jurisdiction or duly designated official, be returned to the purchaser for delivery to the carrier or carriers as above set forth, in order to avoid confusion and delay in the transportation and delivery of these wines.

Form 1412 (now undergoing revision) should be used until the revised edition is available, after which time this form as now issued should only be used when the revision is unobtainable, under which circumstance it should be corrected to correspond with the revision. Where the present Form 1412 is used the estimate of the period of time required for the consumption of the wine may be omitted. Moreover the form may be accepted without the oath having been executed.

JOHN F. KRAMER,
Federal Prohibition Commissioner.

APPROVED:

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner
Washington, D.C.

May 21, 1920.

Pro. Min. 81

Form 1440, Return of Alcohol Gauged.

TO COLLECTORS OF INTERNAL REVENUE
AND OTHERS CONCERNED:

Hereafter one copy of Form 1440, Return of Alcohol Gauged at Industrial Alcohol Bonded Warehouse, will be securely attached to the Form 1441, reporting the entry into or withdrawal from warehouse of such alcohol, and be forwarded to the Collector of the district. One copy of each form will be forwarded each day directly to the Commissioner of Prohibition, 1330 F Street, N. W. Washington, D. C.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
Requisition for Office Supplies and Equipment.

SUPERVISING FEDERAL PROHIBITION AGENTS AND FEDERAL PROHIBITION DIRECTORS:

Some confusion has arisen in the handling of requisitions from prohibition field officers for office supplies and equipment. To facilitate the filling of these requisitions it is requested that you give proper attention to the use of requisition forms, such as Forms 16 and 2162, and the instructions issued governing the time and manner in which they shall be used. These formal requisitions, as well as other requisitions for supplies and equipment, should be forwarded in duplicate in order that a proper record may be kept in this office.

It is exceedingly desirable that your office needs be estimated as far in advance as practicable. As you have already been informed, there is available a general schedule in which is listed supplies and equipment which are furnished by government contractors, usually at a much lower cost than supplies purchased in the open market. It is desired that wherever possible articles be purchased from the contractors and at the prices listed in this schedule, to do which, however, requires that needs be anticipated in order to offset the possibly longer time required to obtain deliveries.

JOHN F. KRAMER

Prohibition Commissioner.


WM. M. WILLIAMS,

Commissioner of Internal Revenue.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner
Washington, D.C.

May 17, 1920.

Pro.Mim 83

Procedure to be followed in payment of support prisoners arrested for violation of the National Prohibition Act prior to issuance of Warrant.

SUPERVISING FEDERAL PROHIBITION AGENTS and FEDERAL PROHIBITION DIRECTORS:

A question has been raised by certain United States Marshals as to whom a United States Marshal should submit bills for the payment of the support of Federal prisoners in county jails when said prisoners have been arrested for violation of the National Prohibition Act by Federal Prohibition Enforcement Officers.

You are informed that expenses for the support and maintenance of such prisoners prior to the issuance of the warrant of arrest or mittimus by a United States Commissioner may be paid by the Bureau of Internal Revenue. Where a prisoner is charged with violation of the National Prohibition Act such expenses should be paid from the appropriation for "Enforcement of the National Prohibition Act", and where charged with violation of the Harrison Anti-Narcotic Act should be paid from the appropriation "Restricting the Sale of Opium."

Voucher in these instances should be rendered on Form 615 by the United States Marshal and presented to you for payment.

JOHN F. KRAMER
Prohibition Commissioner.

Approved:

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
Manufacture of nonintoxicating cider and fruit juices exclusively for use in the home.

TO FEDERAL PROHIBITION DIRECTORS, SUPERVISING AGENTS AND OTHERS CONCERNED:

Section 29 of Title II of the National Prohibition Act provides that the penalties imposed in the act against the manufacture of liquor without a permit shall not apply to a person for manufacturing nonintoxicating cider and fruit juices exclusively for use in his home, but such cider and fruit juices shall not be sold or delivered except to persons having permits to manufacture vinegar.

The Bureau's interpretation of the foregoing provision is as follows: Any person may, without permit, and without giving bond, manufacture nonintoxicating cider and fruit juices, and in so doing he may take his apples or fruits to a custom mill and have them made into cider and fruit juices. After such nonintoxicating cider and fruit juices are made, they must be used exclusively in the home, and when so used, the phrase "nonintoxicating" means nonintoxicating in fact and not necessarily less than one-half of one per cent of alcohol, as provided in Section 1, of Title II, of the said Act.

Or if the person making such cider and fruit juices desires to do so, he may (1) sell such cider and fruit juices at any time to persons having permits to make vinegar; this he may do under the provisions of said Section 29. (2) If he preserves such cider and fruit juices at the time they are made, he may sell same to the public in general; this he may do under the provisions of Section 3, of Title II, of said Act. (3) Or he may sell said cider and other fruit juices so long as they contain less than one-half of one per cent of alcohol, but the purchasers thereof cannot use or possess the same after they contain more than one-half of one per cent of alcohol; this he may do under the provisions of Sections 1 and 3, of Title II, of said Act.

The cider in the home may be allowed to turn to vinegar if the owner desires, provided he adds no sugar or other fermentable substance to the cider or fruit juices to increase the alcoholic content thereof, inasmuch as such practice is held to constitute a mash fit for distillation within the provisions of Section 3282 Revised Statutes; he may sell said vinegar to any one who may desire to purchase it; this he may do under the provisions of Section 4, of Title II, of said Act.

This regulation is not intended to cover the commercial use of cider and fruit juices, but merely the use of the same as applied to the home and as provision is made in Section 29 of Title II of said Act.

John F. Kramer,
Federal Prohibition Commissioner.

APPROVED:

Wm. M. Williams,
Commissioner of Internal Revenue.
Instructions relative to the Revocation of permits and restricting illegal sales of flavoring extracts, etc.

TO FEDERAL PROHIBITION DIRECTORS, AND OTHERS CONCERNED:

The following instructions are issued establishing procedure for the revocation of permits pursuant to Sections 5 and 9 of Title II of the National Prohibition Act and restricting illegal sales of flavoring extracts, syrups and beverages pursuant to Section 4 of Title II of said Act. When used herein, the word "Commissioner" shall refer to the Federal Prohibition Commissioner; the word "Director" to the Federal Prohibition Director or Collector acting in such capacity in the state where the permit was issued or where the offense or violation occurred; the word "Act" to the National Prohibition Act.

ARTICLE I - Revocation of permits to manufacture articles mentioned in Section 4 of Title II.

1. Whenever the Commissioner has reason to believe that any article mentioned in Section 4 does not correspond with the description and limitations provided therein or by regulations he, or, when authorized, the Director, shall cause an analysis of said article to be made, and if upon such analysis it shall be found that said article does not so correspond, notice shall be given to the person or permittee who is the manufacturer thereof to show cause why said article should not be dealt with as an intoxicating liquor and the permit to manufacture and sell said article be revoked.

2. Such notice shall be in writing and signed in triplicate by the Commissioner or Director, one for service, one to be filed in the office of the Director, and one in the office of the Commissioner. Such notice may be served personally on the person directed to appear or by registered mail addressed to such person at the address designated in his permit and, if no address be so designated, at his known place of business. In case of a partnership, personal service upon one of the members shall be sufficient, and in case of a corporation personal service may be made on any officer or duly authorized agent thereof. A statement showing time and manner of service should be indorsed upon or affixed to the copy of the notice to be filed with the record of such proceeding.

3. Such notice shall set the date of the hearing not less than fifteen nor more than thirty days from the date of service. When such service is made by registered mail as aforesaid, the time shall begin to run from the date of mailing.

4. All hearings shall be held, and such notice shall direct the person or permittee to appear and show cause, at a place designated in said notice unless the parties agree on another place for such hearing.

5. Such hearing may be held before the Commissioner or Director or before a special agent or official designated by the Commissioner or Director and the notice shall specify the officer before whom such person is directed to appear.
6. The notice required on a proceeding to revoke a permit to manufacture articles mentioned in Section 4 of Title II of the Act shall be in the following form:

United States of America, Permit No.____

District of______

In the matter of the revocation of the permit to manufacture articles mentioned in Section 4, Title II, National Prohibition Act.

Name of permitted

Address.

It appearing from an analysis of the articles mentioned below and manufactured by you that such articles do not correspond with the descriptions and limitations provided by Section 4 of Title II of the National Prohibition Act, and by Regulations, you are hereby notified and directed to appear before (Name of official before whom hearing is to be held),
at

(Name of official before whom hearing is to be held),
at

on the day of______1920, at______

o'clock in the afternoon, to show cause why the following articles should not be dealt with as intoxicating liquors and why the permit issued to you to manufacture and sell such articles should not be revoked, viz:

Dated this day of______, 1920.

[Signature of Commissioner or Director]

I do hereby certify that on the day of______, 1920, I served the foregoing notice on _____ at _____, by (a) delivering a copy of such notice to said person, or (b) by registered mail to such person at the address above.

Dated this day of______, 1920.

[Signature of person serving or mailing]

If service be on partner or officer of corporation, state such fact.
7. The person so notified may appear in person or by attorney. He shall be fully informed at such hearing of the facts and circumstances constituting the offense or violation whereof he is charged and may submit proof or testimony by witnesses, affidavits, or otherwise to contradict or refute such charges. Such hearing is not regarded as a judicial proceeding, but is regarded to be an investigation of the conduct and operations of such person under his permit at which he is afforded an opportunity to deny or answer the charges made against him. A full and complete record of such hearing containing the names of all parties appearing, the nature or substance of the proof or testimony, taken, the names of witnesses, etc., shall be made by the officer before whom such hearing is held. All papers, affidavits, and documents used at such hearing, or copies thereof, shall be filed with and become a part of such record. It is not required that the testimony of witnesses shall be under oath or that such testimony be taken by a stenographer, but the testimony may be taken if desired by either party, in which case a stenographer shall be furnished by the party desiring to preserve the testimony. No authority is provided for the subpoena of witnesses. Such proceeding or hearing may be adjourned or postponed, but no unreasonable or unnecessary delay shall be allowed.

8. The Commissioner, or the Director, when expressly authorized to hear and determine, may, after such hearing, revoke the permit in question. In all cases where such hearing is held before a special agent or official designated by the Commissioner or Director such special agent or official shall make a report or return, attach thereto the record of said hearing, and forward same, together with his recommendation of final action thereon, to the Commissioner or Director designating him, except that in cases where such special agent or official is expressly authorized by the Commissioner to hear and determine such proceeding such special agent or official may make final decision and revoke such permit. In all cases where the Director, special agent, or official is in doubt concerning the final decision or order to be made, or as to any question arising in the course of the proceeding or hearing, the record thereof should be forwarded to the Commissioner for such ruling and instructions as may be proper. Upon receipt of a report and recommendation the Commissioner, or Director when so authorized, shall take final action thereon, and revoke said permit or dismiss such proceedings, whichever in his judgment shall be proper.

9. Such final decision or order of revocation shall be in writing, and signed in triplicate by the Commissioner, Director, special agent, or official authorized to make such decision or order, one copy for service, one to be attached to the record of such proceedings, and one to be filed in the office of the Commissioner or Director, as the case may be. Such decision or order may be served on the person or party against whom such proceeding was taken either personally or by registered mail addressed to such person at the address designated in his permit; and if no address be so designated, at his known place of residence or business. In the case of a partnership, personal service upon one of the members shall be sufficient, and in the case of a corporation such service may be made on an officer or duly authorized agent thereof. A statement showing the time and manner of service should be indorsed upon or affixed to the copy of the decision or order filed with the record as aforesaid.

10. The decision or order revoking a permit to manufacture articles mentioned in Section 4 of Title II, under the proceedings set forth in this article, shall be in the following form:
ORDER OF REVOCATION.

United States of America,

District of ____________.

In the matter of the revocation of the permit to manufacture articles mentioned in Section 4, Title II, National Prohibition Act, issued to

Name of permittee

Permit No. ________

It having been found upon analysis that the above-named permittee manufactured articles mentioned in Section 4 of Title II of the National Prohibition Act which did not correspond with the descriptions and limitations provided therein and by Regulations, and due notice of hearing having been given to said permittee to show cause why said articles should not be dealt with as intoxicating liquors and why the permit issued to him to manufacture and sell such articles should not be revoked, and such hearing having been duly held, the said permittee having failed to satisfactorily show that such articles correspond to such descriptions and limitation, now, upon all the proceedings had herein and after due deliberation, it is

ORDERED, that the permit issued to the above-named permittee to manufacture and sell the following articles be and the same hereby is revoked and such articles be dealt with as intoxicating liquors, viz:

Dated this _______ day of ________, 1920.

[Signature of Commissioner, Director, Special Agent, or Official.]

I do hereby certify that on the ________ day of ________, 1920, I served the foregoing notice on ________ by (a) delivering a copy of such notice to said person, or (b) be registered mail to such person at the address above. Dated this _______ day of ________, 1920.

[Signature of person serving or mailing.]

* If service be on partner or officer of corporation, state such fact.
I. The Commissioner, Director, Special Agent, or Official granting such order of revocation shall promptly cause the same to be served, as provided in Section 9 of this Article. An affidavit of service thereof shall also be supplied as provided in said section. When such order is so served, it shall be unlawful for the manufacturer or permittee to continue the manufacture of the articles described in the order, and such articles shall be regarded as intoxicating liquors. The record of such proceedings shall be kept and carefully preserved in the office of the director of the State wherein the place of business or residence of the permittee is located. The Director shall be informed of the conduct and progress of such proceedings and note the same upon the record or file in his office covering such permit.

II. The manufacturer or permittee may by appropriate proceeding in a court of equity have the action of the Commissioner reviewed, and the court may affirm, modify, or reverse the finding of the Commissioner as the facts and law of the case may warrant, and during the pendency of such proceedings may restrain the manufacture, sale, or other disposition of such article.

ARTICLE II. - Proceeding to restrain sale of flavoring extracts, sirups, and beverages pursuant to Section 4, Title II, of the National Prohibition Act.

13. Whenever the Commissioner shall have reason to believe that any person has sold any flavoring extract or sirup for intoxicating beverage purposes or under circumstances from which the seller might reasonably deduce the intention of the purchaser to use them for such purposes, or shall sell any beverage containing one-half of one per centum or more of alcohol by volume in which any extract, sirup, or other article is used as an ingredient, he, or, when authorized, she Director, shall give notice to such person to show cause why such flavoring extract, sirup, or beverage should not be dealt with as an intoxicating liquor, and why he should not be required to desist from selling such article.

14. Such notice shall be issued and served and hearings thereon held pursuant to and in the manner provided by Sections 2, 3, 4, 5, and 7 of Article I hereof. The notice required under this Article shall be in the following form:

United States of America,

District of

In the matter of the proceeding to restrain the illegal sale of flavoring extracts, sirups, and beverages as provided in Section 4, Title II, of the National Prohibition Act,

To: Name of person notified to appear

Address
You are hereby notified and directed to appear before ______ on the ______ day of ______, 1920, at ______ o'clock in the ______ noon to show cause why the following flavoring extracts, sirups, and beverages should not be dealt with as intoxicating liquors and why you should not be required to desist from selling the same, viz:

Upon the grounds that you have (insert grounds upon which notice is based as follows: (a) knowingly sold the same for beverage purposes or (b) under circumstances from which the seller might reasonably deduce the intention of the purchaser to use them for beverage purposes or (c) sold a beverage containing one-half of one per cent of alcohol or more by volume in which any extract, sirup, or other article is used as an ingredient in violation of Section 4, Title II, of the National Prohibition Act.)

Dated this ______ day of ______, 1920.

Signature of Commissioner or Director.

I do hereby certify that on the ______ day of ______, 1920, I served the foregoing notice on ______ by (a) delivering a copy of such notice to said person, or (b) by registered mail to such person at the address above.

Dated this ______ day of ______, 1920.

Signature of person serving or mailing.

* If service be on partner or officer of corporation, state such fact.

15. If upon such hearing it shall appear that any flavoring extract, sirup, or beverage has been sold in violation of Section 4, such person and any known principal for whom the sale was made shall be immediately notified to desist from selling such article or articles.

16. Decision shall be rendered and a notice to desist shall be issued and served in the manner provided in Sections 5 and 9 of Article I hereof for revocation of permits.

17. Such notice to desist shall be in the following form:
In the matter of the proceeding to restrain the illegal sale of flavoring extracts, sirups, and beverages as provided in Section 4, Title II, of the National Prohibition Act.

To:

Name of person to be notified.

Address

It having been found after due hearing that the following flavoring extracts, sirups, and beverages, viz:

have been sold by you in violation of Section 4, Title II, of the National Prohibition Act and Regulations promulgated thereunder,

You are hereby notified and ordered to desist from selling the same without making application for, giving bond, and obtaining a permit so to do. The conditions upon which such permit will be issued will be stated on application therefor.

Dated this ______ day of ______, 1920.

Signature of Commissioner or Director.

I do hereby certify that on the ______ day of ______, 1920, I served the foregoing notice on ______ by (a) delivering a copy of such notice to said person, or (b) registered mail to such person at the address above.

Dated this ______ day of ______, 1920.

Signature of person serving or mailing.

* If service be on partner or officer of corporation, state such fact.

15. When such notice is served as above provided, it shall thereupon be unlawful for a period of one year thereafter for any person so notified to sell any such extract, sirup, or beverage without making application for, giving a bond, and obtaining a permit to do so, which permit may be issued upon such conditions as the Commissioner may deem necessary to prevent such illegal sales, and in addition the Commissioner shall require a record and report of sales. Upon the determination of said proceeding the record thereof shall be kept and carefully preserved in the office of the Director of the State wherein the place of business or residence of the person proceeded
ARTICLE III - Revocation of permits under Section 9 of Title II of the National Prohibition Act.

19. If at any time there shall be filed with the Commissioner or Director a complaint under oath setting forth facts showing, or if the Commissioner has reason to believe that any person who has a permit is not in good faith conforming to the provisions of the Act or regulations promulgated thereunder, or has violated the laws of any State relating to intoxicating liquors, the Commissioner, or whom authorized, the Director, shall immediately issue an order citing such person to appear and show cause why the permit held by him should not be revoked.

20. Such order shall be issued and served and hearings thereon held pursuant to and in the manner provided by Sections 2, 3, 4, 5, and 7 of Article I hereof, except that such hearing shall be held within the Federal Judicial District and within fifty miles of the place where the offense or violation is alleged to have occurred unless the parties agree on another place. Such order or citation shall be accompanied by a copy of the complaint when a complaint is filed, or, in the event that the proceedings be initiated by the Commissioner or Director, with a statement of the facts constituting the violations charged.

21. When such proceeding is based on a complaint, the following form of order shall be used:

United States of America,

______ District of: _______________________

In the matter of the revocation of permit No. __________, issued to

Permittee X

TO: Name of Permittee,

Address

Upon complaint under oath of of

(Name of complainant), of (Address), a copy of which is hereto attached,

You are hereby ordered and cited to appear before

(Name of official before whom hearing is to be held) at

in the day of , 1920, at o'clock in the

(minor less than 15 nor more than 30 days from date of service)

and show cause why the permit issued to you should not be revoked.
Dated this _______ day of _____________, 1920.

(Signature of Commissioner or Director)

I do hereby certify that on the _______ day of _______ , 1920, I served the foregoing notice on _______ at _______ by (a) delivering a copy of such notice to said person, or (b) by registered mail to such person at the address above.

Dated this _______ day of _____________, 1920.

Signature of person serving or mailing.

*If service be on partner or officer of corporation, state such fact.

22. When such proceeding is instituted by the Commissioner or Director where he has reasons to believe that such person is not acting in good faith or has violated the State laws, the following form of order shall be used:

United States of America,
District of _____________:

In the matter of the revocation of Permit No. _____________, issued to _____________

Permittee.

To: Name of permittee.

Address

You are hereby ordered and cited to appear before

(Name of official before whom hearing is to be held) at (Not less than 15 nor more than 30 days from date of service) on the _______ day of _______ , 1920, at _______ o'clock in the _______ noon and show cause why the permit issued to you should not be revoked and canceled upon the grounds that (here state grounds as (a) 'That you are not in good faith conforming to the provisions of the National Prohibition Act and Regulations promulgated thereunder,' followed by particulars showing such conduct, (or) (b) 'That you have violated the law of the State of _______ , relating to intoxicating liquors,' followed by the law violated and nature of such violation.)
Prohib. 85

Dated this __________ day of __________ , 1920.

[Signature of commissioner or director]

I do hereby certify that on the __________ day of __________, 1920,
I served the foregoing notice on * by (a) delivering a copy of such
notice to said person, or (b) by registered mail to such person at the address
above.

Dated this __________ day of __________, 1920.

[Signature of person serving or mailing]

* If service be on partner or officer of corporation, state such fact.

23. If it shall be found that such person has been guilty of willfully
violating any such laws, as charged, or has not in good faith conformed to
the provisions of the Act or Regulations, the permit issued to him shall be
revoked. Decision shall be rendered and an order of revocation therein shall
be issued and served in the manner provided by Sections 8 and 9 of Article I
hereof.

24. The order of revocation of a permit under proceedings instituted
under Section 9 of Title II and under this article shall be in the following
form:

United States of America,  
______________________ District of ____________ .

In the matter of the revocation of
Permit No. __________ , issued
to

[Permittee]

To Name of permittee

[Address]
An order or citation having heretofore issued directing the
above-named permittee to appear and show cause why the permit issued
to him should not be revoked and such order having been returned and
due hearing held thereon; now, upon all the proceedings had herein,
and due deliberation having been given thereon, it is

ORDERED, that permit No. ______ issued to ______ be and
the same hereby is revoked and canceled upon the following grounds, to wit:

Dated this ______ day of ________, 1920.

(Signature of Commissioner or Director.)

I do hereby certify that on the ______ day of ________, 1920,
I served the foregoing notice on ______ at ______ by (a) delivering a copy of such
notice to said person, or (b) by registered mail to such person at the
address above.
Dated this ______ day of ________, 1920.

Signature of person serving or mailing.

* If service be on partner or officer of corporation, state such fact.

25. Such order of revocation shall be promptly served, and the record
of such proceedings forwarded to the Director as provided in Section 11,
Article I, hereof.

26. Such person or permittee may also have a review of the decision
of order of revocation before a Court of Equity as provided in Section 5
of Title II of the Act. During the pendency of such action or review such
permit shall stand revoked.

27. Where a permit is revoked under Section 9 of Title II of this
Article, no permit shall be granted to such permittee within one year
thereafter.

JOHN F. KRUMER,
Prohibition Commissioner.

Approved:
WM. M. WILLIAMS,
Commissioner of Internal Revenue.
TO COLLECTORS OF INTERNAL REVENUE, and
SUPERVISING FEDERAL PROHIBITION AGENTS.

There have been forwarded to you under separate cover a copy of
Customs T.D. 38381 dated April 26, 1920, (Joint regulations of the Secre-
tary of State, the Secretary of the Treasury, and the Secretary of Commerce
under Section 5 of the act approved January 17, 1914, governing exports of
opium and cocaine and any salt, derivative or preparation of either, publis-
hed, and all previous instructions of the Department in conflict therewith revoked.),
and a pamphlet issued in pursuance thereof by the Department
of State under date of March 1, 1920 entitled "Laws and Regulations of For-
tain Countries concerning the importation of Opium or Cocaine and Salt,
Derivatives and Preparations thereof," for your use and information in con-
nection with the enforcement of the Harrison Narcotic law, as amended, and the
rendition of monthly narcotic returns thereunder, with especial reference to
the exportation of such drugs or preparations.

Whenever internal revenue officers have reason to question the constitu-
ency of any narcotic drugs or preparations delivered to customs officials for
exportation, they should immediately request such officials to have an in-
spection made which will be sufficiently adequate to determine the exact com-
position of such drugs or preparations. Authority for such inspection is es-
tablished by regulation 8, T.D. 38381, to which reference is made above, which
provides that the Collector of Customs may require packages offered for ex-
port to be opened and may inspect the contents thereof.

Articles 83 and 85 of Regulations 35, revised, provide that monthly nar-
cotic returns, rendered by persons registered under the Act of December 17,
1914, as amended, as importers, manufacturers, producers, compounders, or
wholesale dealers, shall include on Form 810b or 811b, as the case may be, a
report of all taxable narcotic drugs and preparations disposed of during the
month for which the return is rendered. These articles further provide that
such drugs and preparations exported shall be grouped separately. The first
two columns of these forms make provision for the entering of the date and
serial number of the purchaser's official order form. Such order forms not
being required for exports, it is hereby provided that these columns shall in-
clude, in lieu of such features, the date of the export declaration and the
number of such declaration as assigned by the Collector of Customs, and be
entered in the space provided for that purpose in the upper right-hand corner
of the form (Customs Cat. No. 2535). In order that export declaration numbers
may not be confused with serial numbers of order forms, the words, "Ex.Decl."
must be entered immediately preceding the number of the declaration for each
item reported on Form 810b or 811b which represents an exportation of taxable
narcotics. This requirement should be immediately called to the attention of
all importers, manufacturers of and wholesale dealers in narcotics.

Please acknowledge the receipt of this letter, the State Department pam-
phlet, and copy of Customs T.D. 38381.

JOHN F. KRAMER,
Prohibition Commissioner.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner
Washington, D.C.

June 6, 1920.

Pro.Mim. 87

Forward June Reports, respecting the
Production, etc. of taxable articles,
promptly.

TO COLLECTORS OF INTERNAL REVENUE:

In order that the required information and data respecting
the production, etc., of taxable articles during the present
fiscal year may be furnished for use of the Secretary of the
Treasury at the earliest possible date, Collectors will see that
no delay occurs in preparing and forwarding their various reports
for the month of June.

The early preparation of Forms 94A (Parts 1 and 2) A94, 94B,
Forms 290, 598 and 1487, is especially desirable, as considerable
time is required to audit the same, and Collectors will use their
utmost endeavors to forward these accounts not later than the 15th
of July.

JOHN E. KRAMER,
Prohibition Commissioner.

APPROVED:

WM.M. WILLIAMS,
Commissioner of Internal Revenue.
June 8, 1929.

TO PROHIBITION DIRECTORS

Alcoholic Solutions Whose Sole Medication is Pepsin or a Similar Principle.

TO FEDERAL PROHIBITION DIRECTORS

You are informed that, in accordance with the provisions of Regulations 60, it has been decided to issue the following ruling relative to alcoholic solutions whose sole medication is Pepsin, or a similar principle. All such preparations containing less than eight (8) grains of Pepsin to the fluid ounce will be classed as intoxicating liquors and the manufacture and sale of same must be in accordance with the Regulations for such intoxicating liquors. As Pepsin is known to lose its efficiency in time, it will be necessary that persons holding in stock preparations supposed to contain an excess of eight (8) grains of Pepsin to the fluid ounce assure themselves that, at the time of sale, the preparation does in fact contain the active properties of such an amount of Pepsin. If upon analysis it is found that a preparation purporting to contain eight (8) grains or more of Pepsin in each fluid ounce does not in fact contain such an amount of Pepsin, the preparation will be held to be an intoxicating liquor whether proof can be obtained that eight (8) grains of active Pepsin were introduced at the time of manufacture or not.

JOHN F. KRAMER,
Federal Prohibition Commissioner.

Approved:

Wm. M. WILLIAMS,
Commissioner of Internal Revenue.
June 12, 1920.

Instructions relating to Bureau Mims. and Circulars.

TO COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE,
FEDERAL PROHIBITION DIRECTORS,
SUPERVISING FEDERAL PROHIBITION AGENTS,
AND OTHERS CONCERNED:

Effective July 1, 1920, the Bureau will discontinue the practice of issuing instructions to field officers in the form of serially numbered mims. except on subjects of a permanent nature. Amplification of regulations and points of law involved, new or modified instructions on administrative procedure, new or modified instructions on accounting and office procedure, and all other subjects based on law, regulations, Treasury Decisions, etc., that should be made a permanent record in field offices will be continued to be issued as mims. At present, subject matters having to do with "Regulations" and "Treasury Decisions" are of a permanent nature, and are used as a basis for action until superseded or revoked. Mims. will be of the same nature; that is, once issued they will be held as authority for future action until superseded or revoked. For the present the series of mims. numbers now being used will be continued.

In addition to the mims., serially numbered circulars will be issued on matters of passing interest or of a temporary character, such as requests for special reports, discontinuance of forms, transmitting new forms and reports, and similar subjects on which it is deemed advisable to issue instructions or convey information. Serial numbers will be used for these circulars, as is done at the present time in the case of mims.; that is, a separate series each for Collectors, Revenue Agents, and Prohibition Field Officers. Mims. and circulars of interest to more than one branch of the service will bear the serial number for each series. (See above.)

A sufficient number of copies of mims. and circulars will be mailed to field officers for distribution to the various divisions in their offices, and separate files will be maintained for each; that is, one for mims. and one for circulars. A complete file of each should be maintained in each division of the office. In the offices of Collectors a complete file shall be maintained by the Chief Office Deputy, and each mim. or circular should bear the initials of the bookkeeper, cashier, each Chief of Division in the office, and any other employee whom the Chief Office Deputy may decide should be familiar with the contents of the mim. or circular. This is imperative in order to avoid a shifting of responsibility and to insure that instructions issued will be complied with in detail. Field Officers are requested to inform the Bureau how many copies of each of mims. and circulars they will require for this purpose, listing the various branches of the office for which desired.

V. M. WILLIAMS,
Commissioner.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner.
Washington, D. C.

June 17, 1923.

Pro.Mim.90

Designation of "Acting Federal Prohibition Director" and "Acting Supervising Federal Prohibition Agents."

Supervising Federal Prohibition Agents
and Federal Prohibition Directors.

It is noted that various titles are employed by Supervising Agents and Directors in designating their Chief Inspectors or Acting Supervising Agents.

In cases where you are absent from your post and find it necessary to designate someone to act in your stead during such absence, you are instructed, in the case of Directors, to designate the Inspector who will act in your place as Acting Federal Prohibition Director, and in the case of Supervising Agents you will designate an agent who will act in your place as Acting Supervising Federal Prohibition Agent.

Directors should name their Chief Inspector or "Inspector in Charge", and Supervising Federal Prohibition Agents may designate their Chief Agent as "Assistant Supervising Federal Prohibition Agent." No other designation of titles will be recognized by this office.

JOHN F. KRAMER,
Prohibition Commissioner.

APPROVED:

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
Data Required on Official Narcotic Order Forms.

To Collectors of Internal Revenue,
Supervising Federal Prohibition Agents,
and Others Concerned:

Monthly narcotic returns submitted to this office by persons registered in classes one and two, under the Harrison Narcotic Law, as amended, indicate that in many cases official order forms calling for narcotic drugs or preparations are being carelessly executed, and not strictly in accordance with the regulations. It is noted particularly that in many cases the name of the particular narcotic contained in the preparation is omitted.

Supervising Federal Prohibition Agents should immediately bring this tendency to the attention of their field officers and instruct them to admonish taxpayers with whom they come in contact during investigations, as to the necessity of careful preparation of narcotic order blanks.

Collectors are hereby instructed to address a circular letter admonishing members of classes three, four and five, as to the necessity for strict compliance with all the provisions of Article 109, Regulations No. 35, and instructing members of classes one and two that they should refuse to fill orders forms which are not prepared in strict accordance with the provisions of Regulations No. 35.

John F. Kramer,
Prohibition Commissioner.

Approved:

Paul F. Myers,
Acting Commissioner of Internal Revenue.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner
Washington, D.C.

Pro. Min. 92

Relative to the establishment of narcotic clinics.

June 18, 1920.

TO COLLECTORS OF INTERNAL REVENUE, SUPERVISING FEDERAL PROHIBITION AGENTS, REVENUE AGENTS IN CHARGE, AND OTHERS CONCERNED:

It has come to the attention of this office that field officers charged with the enforcement of the Harrison Narcotic law are in some instances taking steps looking toward the establishment of municipal clinics for the treatment of narcotic addicts, without the sanction of this office.

This work undoubtedly has been undertaken pursuant to a letter addressed to Collectors from this office under date of July 24, 1919. In that communication it was stated that the decisions of the Supreme Court in the Doremus and Webb and Goldbaum cases clearly establishing the fact that physicians are not authorized to prescribe for the satisfaction of narcotic drug addiction, and that druggists cannot lawfully fill such prescriptions, thousands of addicts had been deprived of their habitual supply of narcotic drugs, leaving many who were financially unable to enter institutions in need of treatment and care, in order to prevent them from becoming a menace to public safety. It was also suggested that the matter be taken up with the municipal authorities and leading physicians throughout the various districts, with a view of providing the necessary measures of relief.

It was furthermore suggested that conferences be held with Revenue Agents and United States Attorneys to discuss the proper application to be given these court decisions, and the best methods of administration. As a result this office has endorsed, as a temporary measure, the establishment of clinics in a number of cities.

The net results obtained through the operation of such public clinics appear to have demonstrated conclusively that the cure of drug addiction through such means is a failure, and that hereafter no similar institutions should have the endorsement of this Bureau.

Each of the public clinics now in operation will be investigated, to determine whether its practice is justifiable under the Harrison Act. In those cases where the ambulatory treatment is in use, and where no serious and scientific effort is being made to affect permanent cures of addiction, the Bureau will necessarily insist that the methods be radically changed or that the clinic be abandoned.

In the meantime, no official of the Bureau should approve the establishment of further institutions of this character until he has informed this office fully as to the proposed basis of operation and method of treatment, and has been advised whether an institution so conducted can be justified under the Harrison Act as interpreted by the United States Supreme Court.

JOHN P. KRAKER,
Prohibition Commissioner.
June 18, 1920.

Pro. Mina. 93

Table of Special Taxes and 25% Penalties Incurred in the
Manufacture and Sale of Intoxicating Liquors and Method to be
Followed in Computing the Same Where a Fraction of a Cent is
Involved.

SUPERVISING FEDERAL PROHIBITION AGENTS,
COLLECTORS OF INTERNAL REVENUE AND OTHERS CONCERNED:

The subjoined table of special taxes and 25% penalties imposed by law
is published for the purpose of enabling collectors to determine at a glance
the amount of tax and penalty to be assessed as to every class of special
taxes incurred by the manufacture and sale of distilled spirits, wines, and
malt liquors, and for any given number of months, ranging from one to twelve,
inclusive, in case the tax is not divisible by twelve without a remainder.

The amount of double tax to be assessed under Section 35 of the National
Prohibition Act is also shown. The following rules should be observed in
computing the amount of tax that must be assessed in all cases:

1. In all cases where the tax to be assessed involves a fraction
   of a cent, the fraction should be increased to one cent if a stamp
   is required to be issued.

2. In all cases involving a penalty or taxes not requiring
   stamps to be issued, a fractional part of a cent will be disregarded
   unless it amounts to one-half cent or more, in which case it is to
   be increased to one cent. (See Section 1313, Revenue Act of 1918.)

For example: The actual amount of special tax for a retail liquor
dealer lawfully engaged in business for one month is $2.05 1/3. In case,
however, a special tax stamp must be issued for this tax, the collector is
required to collect a sufficient amount to cover the entire tax due. He is,
therefore, required to collect $2.09. Twenty-five per cent of $2.08 1/3
is $0.52 1/12%. The fraction of the cent being less than one-half, the same is
dropped.

The rule for computing the penalty should be followed in the computa-
tion of double the amount of tax, when no stamp is required to be issued.
Double the amount of $2.05 1/3 is $4.16 2/3. As the fraction of the cent
amounts to more than ½ it should be increased to one full cent, making
double the tax $4.17.

The penalties of $500 and $1,000 imposed by Section 35 upon retailers
and manufacturers of intoxicating liquors are fixed specific penalties and
are not to be prorated according to the number of months for which the party
has incurred tax liability.
<table>
<thead>
<tr>
<th>Commencing No. of Business or Year Taxable</th>
<th>D. T. Sec. 35 NPA</th>
<th>D. T. Sec. 35 NPA</th>
<th>D. T. Sec. 35 NPA</th>
<th>D. T. Sec. 35 NPA</th>
<th>D. T. Sec. 35 NPA</th>
<th>D. T. Sec. 35 NPA</th>
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<tr>
<td>June 1 Tax $1 67 Pen. 42</td>
<td>$3.33</td>
<td>$2.99</td>
<td>$4.17</td>
<td>$4.17</td>
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<td>$6.34</td>
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<td>May 2 Tax 34 Pen. 63</td>
<td>6.67</td>
<td>4.17</td>
<td>6.33</td>
<td>6.25</td>
<td>12.50</td>
<td>20.00</td>
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<td>April 3 Tax 50 Pen. 1 25</td>
<td>10.00</td>
<td>6.25</td>
<td>12.50</td>
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<td>Mar. 4 Tax 67 Pen. 1 67</td>
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<td>8.34</td>
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<td>33.33</td>
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<td>Feb. 5 Tax 8 24 Pen. 2 08</td>
<td>16.67</td>
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<td>20.2</td>
<td>41.67</td>
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<td>Jan. 6 Tax 10 00 Pen. 2 50</td>
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<td>12.50</td>
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<td>25.00</td>
<td>50.00</td>
<td>100.00</td>
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<tr>
<td>Dec. 7 Tax 11 67 Pen. 2 98</td>
<td>23.33</td>
<td>14.59</td>
<td>29.17</td>
<td>29.17</td>
<td>58.33</td>
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<td>Nov. 8 Tax 13 34 Pen. 3 33</td>
<td>26.67</td>
<td>16.57</td>
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<td>33.33</td>
<td>66.67</td>
<td>133.33</td>
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<td>Oct. 9 Tax 15 00 Pen. 3 75</td>
<td>30.00</td>
<td>18.75</td>
<td>37.50</td>
<td>37.50</td>
<td>75.00</td>
<td>150.00</td>
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<td>Sept. 10 Tax 16 67 Pen. 4 17</td>
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<td>Aug. 11 Tax 18 34 Pen. 4 58</td>
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<td>July 12 Tax 20 00 Pen. 5 00</td>
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<td>50.00</td>
<td>50.00</td>
<td>100.00</td>
<td>200.00</td>
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SPECIAL TAXES
ANNUAL RATE IN DOLLARS AND CENTS AND 25% PENALTIES.

John F. Kramer,
Prohibition Commissioner.

Paul F. Miers,
Acting Commissioner of Internal Revenue.
TO SUPERVISING FEDERAL PROHIBITION AGENTS AND OTHERS CONCERNED:

Hereafter the Special Field Supervisors of the Prohibition Service will assist Supervising Federal Prohibition Agents, as well as Federal Prohibition Directors, in matters connected with office procedure, personnel and other records, and space, equipment and supplies. The present assignment of the Special Field Supervisors is as follows:

**Northeastern Department**, (Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut) H. Bruce Taylor.

**New York Department**, (New York State) H. Bruce Taylor. (Special Field Supervisor, Melville Leman will temporarily act in a special assignment in the New York Department.)


**Ohio-Maryland Department**, (Maryland, Dist. of Columbia, W. Virginia, Ohio) E. A. Forbes.

**Southern and Gulf Departments**, (Virginia, North Carolina, South Carolina, Kentucky, Tennessee, and Georgia, Florida, Alabama, Mississippi, Louisiana) J. P. Marstella.

**Central Department**, (Michigan, Indiana, Illinois, Wisconsin) E. K. Dinges.

**Northwestern and Western Departments**, (Minnesota, Iowa, Nebraska, North Dakota, South Dakota, and Colorado, Wyoming, Montana, Idaho, Utah) N. B. Millor.

**Southwestern Department**, (Missouri, Arkansas, Kansas, New Mexico, Oklahoma, Texas) W. H. Kennedy.

**Pacific Department**, (Washington, Oregon, Nevada, California, Arizona) S. F. Rutter.

The Supervising Federal Prohibition Agents are requested to acknowledge receipt of this mimeograph.

JOHN F. KRAMER,
Federal Prohibition Commissioner.

Approved:

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
PRESIDENT

Treasury Department

Bureau of Internal Revenue

Office of Federal Prohibition Commissioner

Washington, D.C.

June 23, 1920.

LETTER

INSTRUCTIONS RELATING TO REPORTS INVOLVING THE ASSESSMENT AND COLLECTION OF TAXES INCURRED UNDER THE INTERNAL REVENUE LAWS AND THE NATIONAL PROHIBITION ACT, BY THE ILLEGAL MANUFACTURE AND SALE OF INTOXICATING LIQUORS.

TO SUPERVISING FEDERAL PROHIBITION AGENTS,
COLLECTORS OF INTERNAL REVENUE, AND OTHERS CONCERNED:

Your attention is invited to the provisions of Section 35, Title II of the National Prohibition Act, which provides that a tax shall be assessed against and collected from persons responsible for the illegal manufacture or sale of intoxicating liquors in double the amount now provided by law, with an additional penalty of $500 on retailers and $1,000 on manufacturers.

With respect to that section you are advised as follows:

1. The doubling provisions of the Section are, as against violators of the National Prohibition Act only, applicable to the taxes upon alcoholic liquor imposed by the internal revenue laws, as well as to the special or occupational taxes upon manufacturers of and retail dealers in such liquors thereby imposed. The taxes which are doubled are those imposed:

(1) Under Section 3244, R. S., on
   (a) Brewers
   (b) Distillers, when manufacturers (see Art. 4)
   (c) Retail liquor dealers
   (d) Wholesale liquor dealers
   (e) Retail dealers in malt liquors
   (f) Wholesale dealers in malt liquors

(2) Under Section 1001(12) Revenue Act of 1918, on
   (a) Brewers
   (b) Distillers
   (c) Wholesale liquor dealers
   (d) Retail liquor dealers
   (e) Wholesale dealers in malt liquor
   (f) Retail dealers in malt liquor.

(3) Under Title VI, Revenue Act of 1918, on
   (a) Distilled spirits (Sec. 600)
   (b) Rectified spirits and wines when rectifier is manufacturer (see Art. 4) (Sec. 605)
   (c) Fermented liquor (Sec. 606)
   (d) Wines (Secs. 611 and 613)
   (e) Grape brandy (Sec. 612)

(4) Any other taxes that may hereafter be imposed on intoxicating liquor or on the manufacture or sale of such liquor.

2. The double tax includes the ordinary tax. One who manufactures or possesses liquors in violation of the Prohibition Act incurs a tax liability immediately assessable under the statutes in force prior to the date of the Act becoming effective. No such case the assess-
ment of the double taxes precludes the additional assessment of the ordinary taxes with respect to the same transaction. However, no deduction from the double tax is permissible because taxes have already been paid on account of the lawful manufacture or sale of such liquor prior to the commission of the illegal acts by which double liability under Section 35 is incurred. Furthermore, if one has, before incurring liability to the double tax or taxes manufactured or sold liquor in a manner lawful under the Prohibition Act, but without payment of the internal revenue tax, he must pay (1) the ordinary tax on any liquor manufactured and the ordinary special or occupational tax for a period beginning with the first day of the month in which such lawful manufacture or sale was commenced, and ending June 30th following, and (2) a double tax on any liquor illegally manufactured and a double special or occupational tax covering the period beginning with the first day of the month in which the illegal manufacture or sale commenced and ending June 30th following. On the other hand, payment of the double special or occupational tax covers any sales that may be made thereafter, either legally or illegally, during the fiscal year, and should one who has incurred liability to double taxes on account of the illegal manufacture or sale of liquor afterwards be permitted to manufacture or sell liquor in accordance with the provisions of the Prohibition Act, he would not be required to pay any additional special or occupational tax on account of the doing of the lawful business. The following illustrations may be given:

(a) A bootlegger is discovered, after January 16, 1920, selling liquor in retail quantities, in violation of the National Prohibition Act. He is required to pay twice the ordinary tax. The tax imposed by Section 3244, R.S., is $25.00 per annum. The amount due for the six months ending June 30, 1920, would be $12.50. This liability is doubled, making the amount to be assessed $25.00.

(b) In the month of January, 1920, a druggist qualifies to sell liquor and pays retail liquor dealers’ tax of $12.50 for the six months ending June 30, 1920. In February, he sells liquor for beverage purposes. He is liable to pay double tax as retailer for the five months ended June 30, 1920, just the same as though no previous tax had been paid.

(c) A druggist secures a permit to sell nonbeverage alcohol and does legitimately sell it for nonbeverage purposes in the month of January, 1920, but somehow pays no internal revenue tax. In February, he sells for beverage purposes. Since he incurred liability, by reason of the legal sales, to the ordinary special or occupational tax, before incurring liability to the double tax, he must pay both the ordinary tax for six months and the double tax for five months.

(d) A bootlegger sells liquor in violation of the National Prohibition Act and pays the double special or occupational tax. He reforms and is permitted to qualify as a retail liquor dealer to do business in accordance with the terms of the National Prohibition Act. Since payment of the double tax covers all sales during the same fiscal year thereafter, he is not required to pay additional tax to cover the legal sales.

J. The taxes which are doubled are those applying to alcoholic liquor manufactured or sold or to the occupation of manufacturing or selling such alcohol-
in liquor. However, as the Act specifically states that other charges or taxes shall also be paid, you will compute and report for assessment, according to law, all such other charges or taxes as may be due, but without doubling them. Such other taxes and charges are:

(a) Taxes
   (1) Under Section 3244, R. S., on
       (a) Manufacturers of stills
       (b) Stills
       (c) Worms
       (d) Rectifiers, when not manufacturers (see Art. 4)
   (2) Under Sec. 1001(12) Revenue Act of 1918, on
       (a) Manufacturers of stills
   (3) Under Section 605, Revenue Act 1915, on
       (a) Rectified spirits, when rectifier not manufacturer (see Art. 4)
   (4) Any taxes, except those on intoxicating liquor or the manufacture or sale of such liquor, that may hereafter be imposed.

(b) Penalties
   (1) Under Section 3176 as amended by the Revenue Act of 1918, of 25% of the tax for failure to file returns, or 50% of the tax for the filing of a fraudulent return.
   (2) Under Sec. 1306(c) of the Revenue Act of 1918, of the amount of the tax evaded, for willful refusal to pay any tax imposed by
       (a) Title VI of the Revenue Act of 1918 on
           (1) Distilled spirits (Sec. 600)
           (2) Fermented liquor (Sec. 606)
       (b) Section 1A2(12) of the Revenue Act of 1918 on
           (1) Brewers
           (2) Distillers
           (3) Wholesale liquor dealers
           (4) Retail liquor dealers
           (5) Wholesale dealers in malt liquor
           (6) Retail dealers in malt liquor
           (7) Manufacturers of stills.
   (3) Under Sec. 605 of the Revenue Act of 1918 of double the tax for
       (a) Evasion of tax on rectified spirits
   (4) Any other assessable penalties that may hereafter be imposed.

4. A rectifier may or may not be subject to double tax, depending upon whether or not the rectification amounts to manufacturing. A rectifier who rectifies in such manner as to make him a manufacturer within the intent of Sec. 35 of Title II of the National Prohibition Act, would be subject to double the amount of the taxes imposed upon rectified spirits and upon the occupation of rectifying. One who only rectifies, purifies or refines distilled spirits is not such a manufacturer. One who, "without rectifying, purifying or refin-
Distilled spirits, shall by mixing such spirits, wines or other liquors with any materials, manufacture any spurious, imitation, or compound liquors for sale," that contain more than 4 of 1% of alcohol, will be considered a manufacturer, and subject to the $1,000 penalty imposed by the said Section 35, if not subject thereto on other grounds.

5. For the purposes of Section 35 of Title II of the National Prohibition Act and this mimeograph, the definition contained in Section 3244 R.S. of a retailer as one who sells or offers for sale intoxicating liquors in less quantities than five gallons at the same time will govern.

6. In order to indicate specifically the manner in which such liabilities shall be computed, the following case is taken for example:

A person carries on business during the month of February, 1920, as a distiller and a retail liquor dealer. It is also discovered that he manufactured one still and one worm during the month of January, 1920. Since he began the manufacture and sale of liquor he produced ten proof gallons, to which he added coloring matter and other ingredients. He should be reported as follows:

(a) Liabilities imposed by Section 35, National Prohibition Act:
   (1) Specific penalty manufacturer (distiller or rectifier) $1000.00
   (2) Specific penalty retailer $500.00

(b) Double taxes under:
   (1) Section 1001(12) Act of 1918
      (a) Retail dealer (if operating where sale of such liquor is prohibited by local law (see note on p. 6)
         Tax for 5 months ending June 30, 1920, 416.67 = 833.34
      (b) Distiller (if operating where prohibited by local law, see note on p. 6)
         Tax for 5 months ending June 30, 1920, 416.67 -- 833.34

(c) Section 600 Act of 1918
   Tax on 10 proof gallons $64.00 -- 128.00

(d) Section 605 Act of 1918
   Tax on 10 gallons rectified. Such rectification is also the manufacture of alcoholic liquor. See paragraph (4)
   3.00 -- 6.00

(e) Section 3244, R. S.
   (1) Rectifier, being manufacturer (see Par. 5)
      41.67 -- 83.34
   (2) Retail liquor dealer
      10.42 -- 20.84
   TOTAL TAX, Section 35 $340.88

(f) Additional taxes under:
   (1) Section 1001(12) Act of 1918.
Manufacturer of stills (if operating in a place where such manufacture is prohibited by local law, see "Note" on p. 6)

Tax 6 months ending June 30, 1920

25.00

(2) Section 3244, R. S.,
   (a) Manufacturer of stills
       Tax 6 months ending June 30, 1920

   (b) One still manufactured

   (c) One worm manufactured

TOTAL ADDITIONAL TAXES

565.00

(c) Penalties imposed by
   (1) Section 3176 R. S., of 25% of the tax for failure to file return of liability under
   (a) Section 1001(12) Revenue Act of 1918 as
       (1) Retail liquor dealer (see item (a)(1)(a)(1))
       (2) Distiller (see item (a)(1)(a)(2))
       (3) Manufacturer of stills (see item (b)(1))
       104.17
       104.17
       125.00

   (b) Section 3244 R. S. (see item (5) (2) )as
       (1) Rectifier (see item (a)(3)(a)(1))
       (2) Retail liquor dealer (see item (a)(3)(a)(2))
       (3) Manufacturer of stills (see item (b)(2)(a))
       10.42
       2.61
       6.25

(2) Section 1306(c), Revenue Act of 1918, of an amount equal to
   the tax for failure to pay tax under
   (a) Section 630, Revenue Act of 1918 on
       (1) Distilled spirits (see item (a)(3)(b))
       82.00

   (b) Section 1001(12) Revenue Act of 1918 on occupation of
       (1) Retail liquor dealer (see item (a)(3)(a)(1))
       (2) Distiller (see item (a)(3)(a)(2))
       (3) Manufacturer of stills (see (b)(1))
       816.67
       416.67
       500.00

(3) Section 605, Revenue Act of 1918, of an amount equal to double
   the tax, for evasion of tax imposed by
   (a) Sec. 605 of the Revenue Act of 1918 on
       (1) Rectified spirits
       6.00

TOTAL PENALTIES

1,755.96

RECAPITULATION

Tax under Sec. 35, Title II, National Prohibition Act

3,404.86

Other taxes

565.00

Penalties

1,755.96

GRAND TOTAL

5,725.82
TAXES AND PENALTIES TO BE ASSESSED MAY BE ABATED TO COLLECTORS IF UNCOLLECTIBLE.

7. The liabilities thus imposed are very heavy. Nevertheless the enforcement of such liabilities is intended to be one of the measures whereby the illegal manufacture and sale of intoxicating liquors is to be prevented, and it is the duty of the Commissioner to make assessments, and of the collectors to make collections as the law directs.

8. If the amounts found to be due are proved, after assessment, to be uncollectible, they may be abated to the collector through a claim on Form 533, thereby relieving his accounts of the charges, but leaving the amounts outstanding as charges against the taxpayer for possible future collection or other adjustment.

9. Attention may be further called to the fact that Section 35 of the National Prohibition Act, after providing for the assessment and collection of these additional taxes and penalties, also provides for the settlement of any civil liabilities incurred thereunder by the acceptance of offers in compromise of the same by the Commissioner of Internal Revenue, and such offers will be considered in cases where, in the opinion of the Commissioner, the amounts so charged appear to be out of proportion to the gravity and seriousness of the offense committed, or, where the enforcement of the collection of the same will work an extreme hardship against the party charged with the liability.

NOTE: All occupations enumerated in Section 1001(12) of the Revenue Act of 1918 are within the scope of Section 35 of Title II of the National Prohibition Act, except that of manufacturer of stills. If, therefore, any person engages in an occupation defined by Section 3244, R. S., or Section 3247, R. S., as a brewer, distiller, wholesale liquor dealer, retail liquor dealer, wholesale dealer in malt liquor or retail dealer in malt liquor, in violation of the prohibitory law of the state or territory, his liability under Section 1001(12) is doubled. Since the occupation of manufacturer of stills is not within the scope of Section 35 of Title II of the National Prohibition Act, one who manufactures stills in violation of the laws of the state or territory is liable to pay tax under Section 1001(12) only once. In other words, in view of Section 35 of Title II of the National Prohibition Act, anyone except a manufacturer of stills who is liable under Section 1001(12) at all, is liable to twice the amount of tax to which he would have been liable prior to the passage of the National Prohibition Act. One who manufactures stills in violation of the law of the state or territory is still liable to pay tax under Section 1001(12) only once.

However, in order for any liability under Section 1001(12), either double or single, to be incurred, something must be done which is prohibited by the penal law. For instance, let it be supposed that State A merely prohibits the sale of alcoholic liquor. In that state anyone selling liquor containing any alcohol for beverage purposes would be subject to a double tax under Section 1001(12) regardless of the percentage of the alcohol which the liquor contains,
but would not be liable on account of the manufacture without the sale of liquor. State B may prohibit the sale of liquor containing more than 2.75% of alcohol. In that state one selling liquor containing 2.75% of alcohol or less would not be liable under Section 1001(12) at all. Anyone selling liquor containing more than 2.75% of alcohol would be liable to double liability under Section 1001(12).

In some states the law prohibits the manufacture, as well as the sale of liquor. In such a state one who manufactures and sells liquor, which is within the prohibition, will be liable to double tax under Section 1001(12), once as a brewer or distiller, and again as a liquor dealer, or malt liquor dealer, as the case may be. If he sells in both wholesale and retail quantities he may be liable to double tax three times, making a possible total liability of $6,000.

For a further discussion of this subject, particularly with respect to the effect of violations of local or municipal law, see Rev. Spts. HM.No. 2191. See also "Assessments in prohibition cases," Article 36, Revised Regulations 12, shortly to be issued.

JOHN F. KEAGH
Prohibition Commissioner.

APPROVED:

WM. N. WILLIAMS,
Commissioner of Internal Revenue.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner
Washington, D.C.

June 25, 1920.

Pro. Min. 96

Instructions to officers and employees of the Prohibition Field Service relative to the making of addresses or statements for publication.

The attention of this office has been called to published news articles containing misinformation regarding the administrative work of the Prohibition Unit based upon unauthorized statements made to newspaper and magazine representatives. Officers and employees of the Prohibition Field Service are cautioned not to discuss with representatives of newspapers or magazines any matters of official business or any conditions related to the enforcement of the National Prohibition and the anti-Narcotic Acts without the express authority of the Director or Supervising Agent under whom they are employed.

Invitations to deliver addresses of a formal or informal nature before bodies or meetings of citizens should not be accepted without the express authorization of the Director or Supervising Agent.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:

PAUL F. LYNES,
Acting Commissioner of Internal Revenue.
TO FEDERAL PROHIBITION DIRECTORS AND OTHERS CONCERNED:

Attention is called to Section 60 (b), Regulations 60, which states that the preparations listed therein are held to be fit for beverage purposes; and therefore are regarded as intoxicating liquor, and may not be sold, purchased, bartered, transported, imported, exported, delivered, furnished, possessed or used except as specifically authorized in these Regulations.

The preparations in question are as follows:

Cordiale Rubi Fructus (Blackberry Cordial).
Elixir Aromaticum (Elixir Aromatic).
Elixir Anisi (Elixir of Anise).
Elixir Anisii Amari (Elixir of Bitter Orange).
Elixir Cardamoni Compositum (Compound Elixir of Cardamon).
Elixir Glycyrrhizae (Elixir of Licorice).
Elixir Glycyrrhizae Aromaticum (Aromatic Elixir of Glycyrrhiza)
Elixir Taraxaci Compositum (Compound Elixir Taraxacum).
Spiritus Juniperi Compositus (Compound Spirits of Juniper).
Spiritus Myrrae Compositus (Compound Spirits of Myrrhus).
Tinctura Amara (Bitter Tincture).
Tinctura Aromatica (Aromatic Tincture).
Tinctura Caramels (Tincture Caramel).
Tincture Cardamoni Composita (Tincture Cardamon Compound).
Tincture Levandulae Composita (Compound Tincture of Lavender).
Vinum Aurantii Compositum (Compound Wine of Orange).
Vinum Pruni Virginianae (Wine of Wild Cherry).

The above preparations may be sold only by persons who have obtained permit to sell intoxicating liquors. Such sales may be made only to persons who have procured permit entitled them to obtain intoxicating liquor, and then only upon receipt of permit to purchase, Form 1410, in the usual manner.

If these preparations are manufactured and sold strictly in accordance with the provisions of Regulations 60, special tax as rectifier or liquor dealer will not be incurred. However, unless so manufactured and sold, such special tax liability is incurred. See Section 100 (c), Regulations 60.
Sales of intoxicating liquor (including the preparations mentioned) may be made in retail quantities of less than five wine gallons only through a pharmacist, or retail druggist where such pharmacist is in his employ. Wholesale druggists and wholesale pharmacists holding permit to sell intoxicating liquor in wholesale quantities may not sell less than five wine gallons at the same time to any one purchaser. If the total of several different kinds of intoxicating liquor sold to any one person at the same time is five wine gallons or more, this requirement is satisfied. See Sections 56 53 (a) and 69, Regulations 60.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
LEAVE OF ABSENCE, INTERNAL REVENUE FIELD SERVICE

TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, PROHIBITION DIRECTORS, SUPERVISING PROHIBITION AGENTS, AND OTHERS CONCERNED:

Attention is invited to the following regulations which have been made a part of "Instructions to Internal Revenue Officers" (Regulations No. 2, revised July 5, 1916), approved by the Assistant Secretary of the Treasury,

COLLECTORS

"177(b) Applications for leave without pay and for extensions of annual leave due to sickness should be made on Form 7054 (revised), and after approval by the Collector should be sent to the Commissioner for his approval. Sick leave will not be granted unless the Collector assures himself that the applicant's absence is necessarily due to actual illness and that the application is meritorious, as to which he will certify on the application."

REVENUE AGENTS

"220(g) Section 1302 of the Revenue Act of February 24, 1919, (41 Stat., 305), provides:

'—That all internal-revenue agents and inspectors shall be granted leave of absence with pay, which shall not be cumulative, not to exceed 30 days in any calendar year, under such regulations as the Commissioner (of Internal Revenue), with the approval of the Secretary (of the Treasury), may prescribe.'

"Revenue Agents in charge of Divisions are authorised to grant to Internal Revenue Agents and Inspectors under their charge leave of absence with pay not to exceed 30 days in any calendar year, inclusive of Sundays and Federal and State legal holidays; Provided, that agents and inspectors appointed for three months or less will not be allowed leave (Dept. Cir. 56, December 9, 1912)."

"(g) Revenue Agents in charge of Divisions are authorised to grant to clerks, janitors, messengers and employees other than Internal Revenue Agents and Inspectors annual leave of absence not to exceed 30 days in any calendar year, exclusive of Sundays and Federal legal holidays and inclusive of State holidays (not also Federal legal holidays), and not to exceed 30 days' sick
leave in any calendar year, inclusive of Sundays and Federal and State legal holidays; Provided, that said employees appointed for three months or less will not be allowed leave (Dept. Cir. 56, Dec. 9, 1912)."

"(1) Applications for leave without pay and for extensions of annual leave due to sickness should be made on Form 7054 (revised), and after approval by the Revenue Agent in Charge should be sent to the Commissioner for his approval. Sick leave will not be granted unless the Revenue Agent in Charge assures himself that the applicant's absence is necessarily due to actual illness and that the application is meritorious, as to which he will certify on the application."

PROHIBITION DIRECTORS AND AGENTS.

"Section 1302 of the Revenue Act of February 24, 1919 (41 Stat., 305), providing for leave of absence of internal-revenue agents and inspectors applies to prohibition agents and inspectors (MS. Comp. Dec. 1, 1920). Prohibition Directors and Supervising Agents are authorized to grant to prohibition agents and inspectors under their charge leave of absence with pay not to exceed thirty (30) days in any calendar year, inclusive of Sundays and Federal and State legal holidays; Provided, that agents and inspectors appointed for three months or less will not be allowed leave (Dept. Cir. 56, Dec. 9, 1912)."

"Prohibition Directors and Supervising Agents are authorized to grant to clerks, janitors, messengers, and employees other than prohibition agents and inspectors annual leave of absence not to exceed thirty (30) days in any calendar year, exclusive of Sundays and Federal legal holidays and inclusive of State legal holidays (not also Federal legal holidays), and not to exceed thirty (30) days sick leave in any calendar year, inclusive of Sundays and Federal and State legal holidays; Provided, that said employees appointed for three months or less will not be allowed leave (Dept. Cir. 56, Dec. 9, 1912)."

"Applications for leave without pay and for extensions of annual leave due to sickness should be made on Form 7054, revised, and after approval by the Prohibition Director or Supervising Agent, as the case may be, should be sent to the Commissioner of Internal Revenue for his approval. Sick leave will not be granted unless the Prohibition Director or Supervising Agent assures himself that the applicant's absence is necessarily due to actual illness and that the application is meritorious, as to which he will certify on the application."

PAUL F. MYERS
Acting Commissioner.
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TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS:

1. - Commencing with the Schedules of Disbursements for the month of August, 1920, Form 63 - Revised May, 1920, will be used. A supply of these forms will be mailed to you under separate cover. The use of old Form 63 - Revised will then be discontinued, and your supply of these old forms should be disposed of as provided by Regulations 52, Article 253. 

2. - A separate schedule will be used for each appropriation. Where more than one sheet is required in order to list all the vouchers paid out of any appropriation, the sheets will be numbered in the upper right-hand corner and the number of sheets composing the schedule will be indicated in the space provided therefor in the affidavit-certificate on the reverse side of the form. The correct title of the appropriation in each case must be clearly written in on the line provided therefor in the caption of the schedule. 

3. - In case of the appropriation "Enforcement of the Narcotic & National Prohibition Acts (Internal Revenue)" the schedule will be prepared in two sections, each section ending with a sub-total. The first section will list the vouchers pertaining to the enforcement of the narcotic act, and after the title of the appropriation the word "Opium" in parenthesis should be added. The second section, commencing on a new schedule sheet, will list the vouchers pertaining to the enforcement of the prohibition act. It will not be necessary to add anything additional after the title of the appropriation for this section of the schedule, it being assumed that if the word "Opium" does not appear after the title of the appropriation, the vouchers scheduled thereon pertain to the enforcement of the prohibition act. The last sheet of the schedule will consist of a recapitulation of the narcotic and prohibition sub-totals. (This paragraph modifies paragraph 5 of Ac-Wm. 272).

4. - In the event an allowance is provided you authorizing the expenditure of money from the appropriation "Collecting the War Revenue" for the purchase of evidence or for expenses of detecting and taking up persons guilty of violating the Internal Revenue laws, separate Form 63 should be used to schedule the vouchers covering such expenditures. After the title of the appropriation of such expenditure, the words "Treaty Fund" in parenthesis should be added, and the procedure followed as outlined in paragraph 3 in regard to enforcement of the Narcotic and National Prohibition.
9. Schedules must be prepared on the typewriter in triplicate and submitted in duplicate, the triplicate copy being retained by the Disbursing Agent.

6. Schedules and accompanying vouchers will continue to be rendered monthly, in accordance with the requirements of Internal Revenue regulations, and will be forwarded to Washington not later than the 10th of the month in which disbursements are made.

7. Vouchers should be scheduled on Form 63 in the following order: office employees, field employees (except those hereafter specifically mentioned), storekeeper-gaugers and gaugers, warehouse agents, and miscellaneous items, each class of vouchers being arranged alphabetically.

8. Beginning with the August schedules, all vouchers will be numbered commencing with number 1 and continue consecutively through each Disbursing Agent's account from one appropriation schedule to another until the close of the fiscal year. Thereafter a new series of voucher numbers will commence with the beginning of each fiscal year. Vouchers will be numbered in the order in which they are listed on the schedules, and the numbers need not be entered on the payees' checks. These voucher numbers should be shown in column 6 of the Form 63.

9. Payments on account of the annual indefinite appropriation "Increase of Compensation" will be entered in column 3 of the schedule and in no case should amounts so paid be included in column 4, "Total appropriation".

10. In column 4, the total amount paid from the appropriation for which the schedule is rendered will be entered and then the proper amounts extended in the Expenditure Classification, columns 5 to 14. The headings of these columns are clear, and in entering amounts thereon care should be taken that the headings of the columns are strictly observed. Salaries of any class of employees not mentioned in columns 9, 10, and 11 should be entered in column 8. The traveling expenses of any class of employees not mentioned in columns 9, 10, and 11 should be entered in column 12. In this connection, the attention of Supervising Federal Prohibition Agents is invited to the fact that salaries and travel expenses of Warehouse Agents should be entered in columns 8 and 12 respectively and not in columns 7 and 11. It therefore follows that the grand total of column 4 will equal the combined sum of columns 5 to 14. In scheduling vouchers of employees from whose salaries the 2% base pay retirement deduction (Act of May 22, 1920) has been made, the amounts on account of salary paid to be entered in column 4 and the salary expenditure classification columns 5, 6, 7, and 8, are the amounts actually paid to these employees, that is 97½% of their basic salaries.

11. In the matter of refunding taxes illegally collected (Form 111) each Collector's claim, duly allowed by the Commissioner, will be presented as a voucher, numbered and entered as such in the schedule. Number the voucher in column 1, the class of refund (income tax, sales tax, etc.) in column 8, and total amount of each voucher in column 9.
4 and 13. The Forms 751 should in all cases be forwarded to this office with the Form 63 on which they are scheduled and in no case held to be forwarded with the Form 44 in which the amount disbursed is taken up.

12. In scheduling Forms 637, the total amount of each voucher will be entered in columns 4 and 13. As amounts paid for the refund of offers in compromise, etc., and refunding taxes illegally collected are paid from separate appropriations, these two classes of refunds will not appear on the same schedule.

13. The amounts entered in column 14 should be recapitulated under heading "Miscellaneous" on the reverse side of the schedule. Under heading of "Telephone Service" only the amount paid under the contract rate should be included, the amounts paid for telephone tolls being shown under the heading "Other Miscellaneous".

14. The amount of every payment will be entered in the proper column so as to show whether it is on account of an annual allowance (column 16) or a special allowance (column 18). The numbers of allowances on which payments made are based must be shown on the schedule in the proper "Number" column, in column 15 in the case of annual allowances and column 17 in the case of special allowances. It is important in case of Special Allowances that when a payment is final it be so stated.

15. Each schedule will be signed by the Disbursing Agent in the space provided therefor on the reverse side of the form. Where the schedule consists of more than one sheet, the signature (and accompanying jurat in case of affidavit) and recapitulation of miscellaneous items need be made on the last (outside) sheet only. When the schedule includes miscellaneous expenses which the law (R.S. 3148, amended) requires shall be verified by oath, the affidavit-certificate will be converted into an affidavit by erasing the word "certify" and executing the form of jurat. When said expenses are not included in the schedule, the words "solemnly swear" may be erased and the jurat ignored.

16. Ac-Mims. 2154, 2175, 2241, 2251, 2308, and 2467 are hereby revoked.

17. Please acknowledge the date of receipt of this letter by return mail.

PAUL F. MYERS

Acting Commissioner.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue,
Washington, D.C.

July 12, 1920.

Coll. No. 2543.
R. A. No. 115.
Pro. No. 102.

Desi gnated Posts of Duty.

COLLECTORS OF INTERNAL REVENUE; INTERNAL REVENUE AGENTS IN CHARGE;
FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS:

You are hereby directed to forward to this office as soon as possible a list in quadruplicate showing the names of all field employees assigned to duty under your direction and their designated posts of duty as of July 1, 1920.

It is very desirable that changes in designated posts of duty be made only on the first day of the month. To further this end, on August 1, 1920 and thereafter on the first day of each month until further notice, you will forward to this office a list in quadruplicate showing all changes in the designated posts of duty of your field employees which you desire to recommend, giving the reasons for each change recommended, for the approval of the Commissioner of Internal Revenue. However, in emergency cases, should you deem it wise to recommend a change in an employee's designated post of duty on a date other than on the first of the month, such cases may be taken up with this office by letter.

In the case of a new field employee, when the recommendation for his appointment is made, recommendation should also be made as to his designated post of duty. The post of duty approved by the Commissioner will then be shown on the allowance document granted for his employment, except that in the case of employees under Collector of Internal Revenue the post of duty approved will be shown on the Form Ap-100.

In forwarding the lists mentioned above Collectors of Internal Revenue should use Form Ap-100.

PAUL F. MYERS,
Acting Commissioner.
Establishment of a New Collection District and Consolidation of Other Districts.

COLLECTORS OF INTERNAL REVENUE; INTERNAL REVENUE AGENTS IN CHARGE; FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS:

The following changes in Internal Revenue Collection Districts became effective July 1, 1920:

TEXAS (SECOND DISTRICT)

1. A new collection district to be known as the Second Internal Revenue Collection District of Texas has been created with headquarters at Dallas: W. Scott Reed, Collector.

VIRGINIA.

2. The Sixth Internal Revenue Collection District of Virginia has been abolished and the territory formerly included in that district, transferred to and made a part of the Second District of Virginia, the latter district hereafter to be known as the Internal Revenue Collection District of Virginia. Collector Richard G. L. Moncure continues as Collector of the consolidated district.

Please acknowledge the date of receipt of this mimeograph by return mail.

PAUL F. MYERS
Acting Commissioner.
Offers in Compromise.

SUPERVISING FEDERAL PROHIBITION AGENTS; COLLECTORS OF INTERNAL REVENUE;
AND OTHERS CONCERNED:

Pursuant to numerous requests from field officers that this Bureau define its policy with respect to compromise in cases where the facts indicate a violation of both the National Prohibition Act and the internal revenue laws, you are advised as follows:

It is the policy of this Bureau in all cases where the facts as reported indicate a violation of internal revenue laws as well as of Title II of the National Prohibition Act, to compromise only where, due to unusual circumstances, the ends of justice will best be served by such action. The disposition of the criminal charges under Title II, of the National Prohibition Act, rests with the United States Attorney.

Hereafter, in submitting his recommendation on an offer in compromise in cases which apparently involve a violation of the internal revenue laws as well as the National Prohibition Act, the United States Attorney is requested to indicate whether he contemplates prosecution on the charge of violation of Title II of the National prohibition Act.

The authority to compromise criminal liability for alleged violation of the internal revenue laws is not affected by the fact that the same case may involve criminal liability under the National Prohibition Act, but such compromise does not relieve from the latter liability.

For the policy and procedure with respect to compromise in general see T. D. 909, 989, 995, 1376, 18854, 20265, L-Mim. 2025, L-Mim. 2320, copies of which are enclosed.

The Bureau desires to close, as rapidly as is consistent with the proper enforcement of the law, all cases involving alleged violations of Title I of the National Prohibition Act. In cases which involve a violation of the internal revenue laws as well as the National Prohibition Act, this Bureau will consider a suitable offer in compromise. The disposition of criminal charges under Title I also rests with the United States Attorney.

The Bureau desires to cooperate with United States Attorneys at all times so that they may not be embarrassed or interfered with in the vigorous prosecution of cases involving a violation of
Title II of the National Prohibition Act.

It should be borne in mind that the authority of the Commissioner to compromise is not to be considered a revenue producing expedient. This authority is vested in the Commissioner in order to dispose, in a more equitable manner, of that class of cases in which the full penalty of the law, if imposed, seems too severe.

Recommendations as to the acceptance and rejection of offers in compromise, and information as to the probable disposition of such offers by the Bureau must be considered strictly confidential and must not be revealed either to the proponent or to anyone outside of this Department and the Department of Justice.

In a great many cases of reported violation of internal revenue laws and Title II, of the National Prohibition Act, the tax is computed by the Collector, and collected in advance of the determination and assessment of the same by the Commissioner. In all such cases the taxpayer should be fully advised that the payment is made subject to review and revision by the Commissioner. Adherence to this rule will relieve the Bureau from charges of misrepresentation and bad faith, when the tax and penalty assessed by the Commissioner is not in accordance with that computed by the Collector. Should the taxpayer desire to submit an offer in compromise of any additional civil liability or any criminal liability under internal revenue laws, or both, this should be handled separately from the payment of any amount paid as taxes and penalty.

PAUL F. MYERS

Acting Commissioner.
INSTRUCTIONS TO COLLECTORS IN REGARD TO OFFERS IN COMPROMISE.

TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue,
Washington, D. C.
July 1, 1905.

TO COLLECTORS OF INTERNAL REVENUE:

Collectors in reporting views on offers in compromise will state the facts fully, and report whether or not proceedings have been instituted in court or before a United States commissioner.

JOHN W. YERKES,
Commissioner.

TO COLLECTORS OF INTERNAL REVENUE AND INTERNAL REVENUE AGENTS:

The attention of collectors of internal revenue and internal revenue agents is again invited to the provision of law (sec. 5629) Rev. Stat.), entitling parties charged with violation of the internal revenue laws to make offers in compromise. In availing themselves of this provision of the law, parties should be entirely free to offer any sum they may choose to tender in compromise.

It is regarded as the evident intent of the law that the offer should be an entirely voluntary one on the part of the proponent. Hence it is necessary that revenue officers should carefully refrain from doing anything or saying which might be construed by an alleged violator of the law as being a demand or suggestion that any specific sum of money be offered in settlement of a case, or that any offer at all be made.

Attention is called to instructions as to offers in compromise given in the following Treasury decisions, viz: No. 1894; No. 2065, dated January 22, 1898; No. 305, dated August 30, 1900 (Circular 279); No. 442, dated March 20, 1903; No. 911, dated July 8, 1905.

JOHN W. YERKES,
Commissioner.
(T. D. 995)

Offers in Compromise
Explanatory of circular letter of March 26, 1906 (T. D. 989)

TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue,
Washington, D. C.
April 11, 1906.

Sir: In reply to your letter of the 3d instant, you are informed that it is proper for a collector or revenue agent to call the attention of anyone charged with the violation of the internal-revenue laws to the section of the statute relative to compromises.

The circular letter of March 26, 1906 (T. D. 989), to which you refer, was directed against the practice of suggesting a certain amount in compromise which the officer indicates he would recommend for acceptance.

If the officer does no more than call the attention of the person charged with violation of the law to the fact that he has the privilege of making an offer in compromise, there is no objection.

Respectfully,

JOHN W. YERKES
Commissioner.

Mr. F. W. Bowbert,
Collector of Internal Revenue, Denver, Colo.

(T. D. 1276)

Instructions regarding offers of compromise.

TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D. C.
June 18, 1908.

TO COLLECTORS OF INTERNAL REVENUE:

Referring to Circular 726, dated June 5, 1908, taking effect July 1, 1908, relative to the deposit of all collections, including offers of compromise, to the credit of the Treasurer of the United States, collectors, when forwarding offers of compromise, will state the date of deposit, the amount deposited, and the number of the certificate.

WILLIAM, JR.

Acting Commissioner.
Violations of Internal Revenue law, and compromises thereunder.

Instructions to internal revenue officers in regard to compromises under sections 3229 and 3469, Revised Statutes.

TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue,
Washington, D. C., January 22, 1888.

Sir: I desire to call your attention to the duties of collectors in respect to violations of the internal revenue law and compromises thereof.

Section 3164 of the Revised Statutes makes it the duty of the collector to report to the district attorney the facts in all cases where any fine, penalty, or forfeiture is incurred for violation of the internal revenue law, whether the offense be technical, unintentional, or otherwise; but in so doing if he thinks prosecution not advisable, he should so state and recommend that no prosecution be instituted.

The views of this office upon the prosecution of trivial cases are stated in the Regulations, Series 7, No. 12, revised, page 22, under the head of "Cases to be carefully examined before proceedings are instituted."

The provision relative to compromises, section 3229, Revised Statutes, furnishes a mode which is often adopted to give relief to parties in cases where it would be harsh to enforce the full penalties of the law, and in which a penalty sufficient to serve both as a punishment and a warning would satisfy the demands of justice and protect the revenue.

No solicitation of an offer should be made, and no delinquent should be induced by threats to invoke the power of the Commissioner to compromise, and no assurance should be given of the probable action of the Commissioner if an offer is made, but where the individual is ignorant of such a provision of law and desires to make his appeal for clemency in the manner provided, it is the duty of the collector to give him suitable instructions.

When an offer is made it should be in writing, subscribed by the proponent or by his attorney. This offer may be made directly or through the collector. If made through the collector, his letter transmitting it should recite the facts and circumstances of the case as known to him or as he may ascertain on inquiry, and it may contain, in anticipation of formal inquiry by this office, an expression of his views as to the propriety of its acceptance.

It is a condition precedent to the consideration of any offer in compromise that the moneys tendered as tax or penalty be deposited to the credit of the Secretary of the Treasury. This applies to costs also, except in cases where they have been deposited in the registry of the court, in which event satisfactory evidence of such deposit must be furnished this office. It is preferred, however, that the costs, or a reasonable amount to cover them, be deposited to the credit of the Secretary of the Treasury, and whenever collectors are conferred with in advance by persons desiring to make overtures in compromise, they will notify the proponents of the preference of this office in this regard.

All moneys paid over to collectors in compromise cases must be by them at once deposited to the credit of the Secretary of the Treasury as required by the Regulations, Series 7, No. 12, page 30. In the event of rejection of the offer, the money so deposited will be returned on application of the proponent.
T.D. 18884.

Form 187 should be promptly forwarded to this office when the terms of the offer have been fully complied with, and Form 18 to the Secretary of the Treasury when the case is finally adjusted.

Taxes legally due from a solvent taxpayer can not be compromised. If a party claims relief from an assessment which is alleged to be erroneous, the proper method for him to take is to make a claim for statement and not an offer of compromise.

The jurisdiction of this office does not extend to cases after final judgment has been rendered.

Offers in compromise judgments under section 3469, Revised Statutes, should be made to the Secretary of the Treasury or the Solicitor of the Treasury.

Respectfully, yours,
N. B. SCOTT,
Commissioner.

J. H. BINGHAM, Esq.
Collector of Internal Revenue, Birmingham, Ala.

(To COLLECTORS OF INTERNAL REVENUE)

TO COLLECTORS OF INTERNAL REVENUE:

It is observed that parties making offers of compromise sometimes propose to pay a lump sum in compromise of all their liabilities, including costs and expenses and other charges, if any. This office objects to this being done, and requires you to see that the proponents specifically state in their offers:

1) The sum they propose to pay as a specific penalty.
2) The sum they tender to cover costs and expenses.
3) The sum they tender in payment of outstanding unpaid taxes.
4) A full recital should be given of the charges against them which they seek to have compromised, and a full statement of the scope of their offers.
5) If property has been seized, a full description should also be given of the same, the release of which under the terms tendered in compromise is desired.

Your attention is also invited to the instructions given in circular letter, dated January 22, 1898, published in TREASURY DECISIONS, No. 3, January 19-26, 1898, in relation to compromise cases, and your careful compliance with these instructions requested.

If offers of compromise are submitted to collectors which are not in accordance with instructions herein, they should be returned to the proponents for amendment.

Offers are again cautioned in regard to inviting offers of compromise. In cases of fraud, the punishment of the guilty party is the object aimed at, and not the money consideration to the Government.

N. B. SCOTT,
Commissioner.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

January 13, 1919.

L - Mem. 2025.

Procedure to be followed when offers in compromise or explanations of offenses charged are submitted.

TO COLLECTORS OF INTERNAL REVENUE AND REVENUE AGENTS:

The following procedure for dealing with offers in compromise and explanations made by persons charged with violations of the Internal Revenue laws is hereby directed to be followed, generally, hereafter:

Upon receipt of a letter or statement submitting an offer or explaining an alleged offense, the Collector will first cause as many copies of such letter or statement as will be required for compliance with the directions outlined below, to be made.

If the case is covered by a report of a Revenue Agent in Charge, one copy will be transmitted to him. The Collector will also supply such additional information as seems appropriate under the circumstances.

The Revenue Agent will, promptly upon receipt of such copy, review the facts involved, including any that may have been brought to his attention since the original report was made, and direct a communication, in duplicate, to this office through the Collector, making such recommendation with respect to the action to be taken in regard to the offer or the explanation as is in his judgment warranted by the facts.

If a report or a copy of a report rendered by either the Collector or Revenue Agent has been furnished to the United States Attorney, or the Collector is of the opinion that the case should be reported to the United States Attorney, the latter will be furnished with a copy of the latter or statement, accompanied by a communication reading somewhat as follows:

"By direction of the Commissioner, I am transmitting herewith a copy of a statement made by_________."
who was reported by me (or Revenue Agent_______) on______, for violation of Secs.______-
R. S., submitting an offer in compromise of (or ex-
plaining) the liabilities incurred. The amount of
the offer in compromise is $______. The Com-
missioner requests that you will transmit a statement,
in duplicate, through me, showing what legal proce-
dings have been had and what costs, if any, have been
incurred, and expressing your views as to the evidence
and the propriety of accepting the offer."

The communication should also set forth such of the
facts of the case as seem necessary to enable the United States
Attorney to give thorough consideration thereto.

The Collector will forward the original statements by
the proponent, the Revenue Agent and the United States Attorney,
respectively, together with any other pertinent papers, to this
office, with his own recommendation. One copy of each of the
several statements will be retained by the Collector in his own
files. In case the required statement cannot be obtained from
the Revenue Agent or the United States Attorney within fifteen
days from the date when the request therefor is made, the other
papers will be forwarded and the omission of the statement ex-
plained.

Nothing contained herein should be regarded as prohibit-
ing any correspondence with this office, in addition to that re-
quired under the method outlined above, whenever it shall seem to
any of the officers referred to, to be expedient.

Each person receiving a copy hereof direct from this
office is requested to make acknowledgment thereof.

Daniel C. Roper,
Commissioner.
November 19, 1919.

L-Mim. 2320

Procedure to be followed in connection with proposed compromise of liabilities for alleged violations of Internal Revenue Laws.

COLLECTORS OF INTERNAL REVENUE AND REVENUE AGENTS:

Your attention is called to provisions of T. D. 18,654, in respect to violations of Internal Revenue law and compromises thereof. Said decision provides as follows:

"The provision relative to compromises, Section 3229, Revised Statutes, furnishes a mode which is often adopted to give relief to parties in cases where it would be harsh to enforce the full penalties of the law, and in which a penalty sufficient to serve both as a punishment and a warning would satisfy the demands of justice and protect the revenue.

"No solicitation of an offer should be made, and no delinquent should be induced by threats to invoke the power of the Commissioner to compromise, and no assurance should be given of the probable action of the Commissioner if an offer is made; but where the individual is ignorant of such a provision of law, and desires to make his appeal for clemency in the manner provided, it is the duty of the Collector to give him suitable instructions."

This rule must be carefully observed by Internal Revenue officials. Cases have arisen in several courts in which the attitude of the Internal Revenue Bureau has been severely criticized because of the action of its officials, both in attempting to secure offers in compromise and to have them increased. In a recent case a United States District Judge stated from the bench that he did not believe that criminal proceedings should be used for the purpose of forcing collection of penalties after compromise efforts had failed, and directed the Clerk to strike out a plea of guilty and enter a plea of not guilty. He further ordered the release of the defendant on his personal bonds.

You will caution your deputies and agents to be particularly careful to follow both the letter and the spirit of the rule laid down in T. D. 18,654, and upon you rests the responsibility of their doing so.

DANIEL C. ROVER.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue,
Washington, D.C.

July 20, 1920.

Ac-Ditvograph
Coll. No. 2547.
E-A. No. 117.
Proc. No. 105.

Use of Form 7684, Withdrawal of Disapproval Voucher

COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE,
FEDERAL PROHIBITION DIRECTORS, and SUPERVISING FEDERAL PROHIBITION AGENTS:

In the future, Form 7684 (Withdrawal of Disapproval Voucher) will
be used when it becomes necessary to rescind the action taken in disap-
proving amounts from your disbursing accounts. This form has been
prepared for the purpose of expediting the settlement of your disburs-
ing accounts.

Therefore, to further this end, it is expected that, upon the re-
cipt of Disapproval Vouchers (Form 7185), you will carefully check the
disapprovals made and notify immediately the employees concerned. If,
according to your records, it appears that the action taken by this of-
face is erroneous or you find that there are additional facts (not
brought out in the accounts submitted) which should be considered by
this office in connection with the charges disapproved, a full state-
ment of the facts should be forwarded to this office as soon as possible
for consideration. You will be duly notified of the action taken, (1)
by letter if the disapprovals are to stand and (2) by Form 7684 if the
disapprovals are to be withdrawn. Upon the receipt of Form 7684, the
disapproval on Form 7185 of the items mentioned in said Form 7684 will be
disregarded and the amounts of said items need not be deposited or credit
in your account current, Form 44, as called for by the Form 7185.

Where disapprovals are made and no necessity exists for further
consideration by this office, it is expected that you will expedite
the action necessary to make deposit of the amounts involved.

Please acknowledge the date of receipt of this letter by return
mail.

WM. M. WILLIAMS
Commissioner.
Instructions regarding the Use of Form 166.

TO SUPERVISING FEDERAL PROHIBITION AGENTS, FEDERAL PROHIBITION DIRECTORS, AND COLLECTORS OF INTERNAL REVENUE:

Reference is made to mimeograph letter Pro. MFW to Collectors of Internal Revenue, Federal Prohibition Directors, and Supervising Federal Prohibition Agents, dated January 21, 1920, page 5, paragraph 6 of which reads as follows:

"Supervising Federal Prohibition Agents will also make report of each violation on Form 166 in duplicate. The duplicate will be transmitted to the Commissioner of Internal Revenue with a letter of explanation, and the original will be sent to the United States Attorney for the proper district, accompanied by a copy of the letter report to the Commissioner. A transcript of the report should be entered on Form 54, which is to be kept in the office of the Supervising Federal Prohibition Agent."

Hereafter those cases of alleged violations of the Internal Revenue Laws or the National Prohibition Act, or both, made the subject of a letter report (giving all information called for on Form 166) to the Commissioner of Internal Revenue shall not be reported on Form 166, if a copy of the letter report to the Commissioner of Internal Revenue is forwarded to the United States Attorney. In all cases in which this is done, the letter report to the Commissioner of Internal Revenue shall indicate that a copy has been sent to the United States Attorney.

E. M. GAYLORD
Acting Prohibition Commissioner.

APPROVED:

W. M. WILLIAMS
Commissioner of Internal Revenue.
Expenditures from Miscellaneous Exigency Allowances.

COLLECTORS OF INTERNAL REVENUE; INTERNAL REVENUE AGENTS IN CHARGE, FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS:

In the event that you have been granted an allowance to cover expenditures for miscellaneous exigency items for fiscal year 1921, you are advised that only such expenditures as may be classified as strictly emergency expenditures should be made from this allowance. The instructions require field officers to anticipate their needs and make requisition in advance for many of the supplies that are needed in the field offices, and every effort should be made to comply with these instructions in order that same can be furnished by the Bureau. If this is done, expenditures for emergency items would naturally be reduced to a minimum. It is very important that the internal-revenue appropriations be conserved, and to this end your hearty cooperation is desired in reducing expenditures in the field to the lowest amounts consistent with efficient service.

There should be noted on every voucher which covers expenditures under the allowance provided for emergency purchases, a full statement showing the nature of the emergency and why it was necessary that the expenditure be made. This will assist the bureau and also the administrative examination of the vouchers submitted and probably prevent delay in the audit of the accounts.

WM. M. WILLIAMS
Commissioner.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

March 22, 1920.

Pro. Min. 108

List of narcotic cases turned over to Supervising Federal Prohibition Agents.

INTERNAL REVENUE AGENTS IN CHARGE:

You are directed to forward immediately to this office a list of narcotic cases turned over to the Supervising Federal Prohibition Agent, if you have not already done so, and advise date on which the transfer was effected.

If the cases have not already been turned over, please state, advising as to the reason why this has not been done, and when transfer is to be made.

PAUL F. MYERS,
Acting Commissioner.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue,
Washington, D. C.

Pres. Mimeoograph

July 26, 1920.

Location of Place of Business of Permittee.

TO FEDERAL PROHIBITION DIRECTORS:

Your attention is particularly called to the fact that a considerable number of applications for the use of non-beverage alcohol are being filed with the various prohibition directors in which the place of business is given as follows: e. g.,

John Doe, Baltimore, Maryland.

This is not sufficient. A permit can only be issued to do business at a definite location, a description of which must appear in the permit, and, therefore, must be furnished on the application. Where there is a street address, this is sufficient. If such address is not available, the lot and block in which the applicant will operate must be given. In case the location cannot be described in this manner, sufficient description by which the premises can be located must be given. The statement that a place is a small village is not satisfactory.

The purpose of the above can readily be understood as it is absolutely necessary that a visiting officer may be able to immediately locate the place of business of a permit holder.

Only one address should be given on the application and on the bond and this is the address of the place of business. When two addresses are given, the same is confusing.

JOHN F. KRAMER
Prohibition Commissioner.

APPROVED:

W. M. WILLIAMS
Commissioner of Internal Revenue.
Reports of manufacturers of cereal beverages and dealcoholised wines under Section 37, National Prohibition Act.

COLLECTORS OF INTERNAL REVENUE, FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS:

Forms 1413, 1414 and 18, have been revised and the new forms will be in the hands of collectors for distribution in the near future.

Revised Form 1413 is a report of the proprietor of a dealcoholising plant producing cereal beverages marketed with less than one-half of one per cent of alcohol by volume. This form should be rendered for dealcoholising plants where fermentation is arrested and the alcoholic content at no time reaches one-half of one per cent in the course of manufacture. Dealcoholising plants which produce a liquid containing one-half of one per cent or more of alcohol by volume must also render this report on Form 1413, showing the quantities produced and the disposition of such liquids, as well as the production and disposition of the cereal beverage product marketed with an alcoholic content of less than one-half of one per cent by volume.

Revised Form 1414 is a monthly return of the proprietor of an industrial alcohol plant producing cereal beverages containing less than one-half of one per cent of alcohol by volume. On this form will be reported the quantities received, produced and the disposition of fermented liquids containing one-half of one per cent or more of alcohol by volume. It will also report the production and disposition of cereal beverages containing less than one-half of one per cent of alcohol by volume. A detailed statement will be made on the reverse side of this form of fermented liquids received from dealcoholising plants and from breweries not contiguous to the industrial alcohol plant rendering the return. When fermented liquids containing one-half of one per cent or more of alcohol by volume are removed from a dealcoholising plant or brewery to a contiguous industrial alcohol plant as distilling material the details of each removal need not be stated in Form 1414; the totals of such removals for the month will be entered at Line 2, Statement No. 1 on the face of the form. Form 1493 will be rendered by brandy distillers producing wine containing less than one-half of one per cent of alcohol by volume. In this form the distiller will report the wines received or produced by him and used as distilling material; also the production and disposition of wines containing less than one-half of one per cent of alcohol by volume. Detailed statements of wines received from wineries and bonded premises must be made on the reverse side of Form 1493. The amount of wine stamps in Form 1493 must also be completed by the distiller making return on this form.

Upon receipt of a supply of revised Forms 18, 1413, and 1414, and of Forms 1493, collectors will immediately place these new forms in the hands of the parties required to report thereon. Old forms 18, 1413 and 1414 should not
be used after the receipt of the revised forms. Reports for the month of August must in all cases be made on the revised forms.

Parties who have qualified as brewers by paying special tax as such, and are operating, must report on revised Form 18. Brewers will not be permitted to dealcoholise their product on the brewery premises. Parties who intend to produce cereal beverages by dealcoholizing must obtain permits to operate dealcoholizing plants.

Forms 1413, 1414, and 1432, must be made in quadruplicate. Two copies are to be sent to the collector of internal revenue of the district, and one copy to the Federal prohibition director of the State, on or before the tenth day of the month for which the report is rendered. One copy of the report in each case will be retained by the parties making return. The collector will forward one of the copies received by him to the Federal Prohibition Commissioner at Washington, D. C., and retain one copy in his files.

Form 18 must be made in triplicate. Two copies should be sent to the collector of internal revenue of the district, on or before the tenth day of the month succeeding the month for which rendered. One copy should be retained in the files of the brewer. The collector will forward one of the copies received by him to the Federal Prohibition Commissioner at Washington, and retain one copy in his files.

Paragraph (g), Section 45, of Regulations No. 60, requires collectors to examine the returns of cereal beverage makers on Forms 1413 and 1414 to determine whether the proper amount of tax has been paid. These returns report the product in gallons, while the tax under Section 620, of the Revenue Act of 1918, is fifteen per cent of the selling price. Collectors will not, therefore, be enabled to determine exactly from Forms 1413 and 1414 what tax is due. These reports should, however, in general be of assistance to the collector's office in connection with the tax collection on cereal beverages.

JOHN F. KRAMER
Prohibition Commissioner.

APPROVED:

WM. W. WILLIAMS
Commissioner of Internal Revenue.
TO SUPERVISING FEDERAL PROHIBITION AGENTS:

An initial supply of Form 358 will be forwarded to you under separate cover. This form is to be used for making monthly reports by states of all narcotic drugs and preparations coming into your possession in any manner in the enforcement of the Act of January 17, 1914, (38 Stat., 275), the Act of December 17, 1914, (38 Stat., 785), as amended by Sections 1006 and 1007 of the Act of February 24, 1919, (40 Stat., 1057), and Section 1008 of said Act of February 24, 1919. With regard to the preparation of reports on this form, the following instructions should be explicitly followed:

1. A separate report must be made for each state in your department, and all reports must be forwarded to this office, Division of Audit and Statistics, before the tenth of the month succeeding that for which the reports are made. A large envelope should be used invariably in order to avoid unnecessary folding of sheets. A separate form must be prepared for each state in your department for each month even though no drugs and preparations have come into your possession during any particular month, and when such is the case, a notation to that effect must be made on the report.

2. Each report made for the month of July, 1930, should include all narcotic drugs and preparations which are in your possession on July 31, 1930. Reports made for each succeeding month should include only those narcotic drugs and preparations which come into your possession during the month for which the reports are made. A complete inventory of all narcotic drugs and preparations in your possession will, accordingly, be furnished only in your reports for the month of July, 1930, and succeeding reports will be additional only.

3. Each report should be prepared with typewriter in triplicate. The original will be forwarded to this office, as provided in Instruction 1 of this communication. The duplicate copy of each report should be retained by you as a permanent record to which reference may be made by you or by this office. All narcotic drugs and preparations in your possession on October 1, 1930, which are available for disposal and are not longer needed as court evidence should be shipped to this office, Division of Technology. An inventory need not be inclosed with the shipment, but the triplicate copies of your reports for the months of July, August and September should be compared with the drugs and preparations shipped, and all items listed in the reports which are included in the shipment should be checked in the column headed "Shipped". A notation, "Shipment made", should be entered on each of such triplicate copies, and these forms should be forwarded to this office, Division of Audit and Statistics, in the same manner as the original reports. (See Instruction 1.) In this manner it will be unnecessary for separate inventories to be made. All items checked in the column headed "Shipped" on the triplicate copies should also be checked on the duplicate copies retained by you, and in case certain items listed in the July, August and September
reports are not shipped on October 1, 1920, a separate Form 826 will be prepared when subsequent shipment is made, showing the date when shipment is made and the month and state for which each item was originally reported. Hereafter shipments of narcotic drugs and preparations will be made regularly on the first of January, April, July, and October, and triplicate copies of reports for each month of each quarterly period will be prepared at the time of shipment in the manner specifically indicated for the shipment to be made October 1, 1920.

4. The first column of the form provides for the furnishing of the dates when the drugs and preparations reported thereon come into your possession.

5. In the column headed, "Name and description of drug or preparation", should be given the complete name of the drug or preparation with a description sufficient to readily identify the item when the contents of shipments are examined.

6. In the column, "Packages or bottles", should be reported the number of individual containers constituting the entire item. If the contents of such containers are pills or tablets the total number of the same for all the containers included in the item should be given in the last part of the column headed, "Pills or tablets", and in the first part of this column which is headed, "Gras.", should be given the size of each pill or tablet. In case the contents of the containers are not in pill or tablet form, the total quantity of the drug or preparation involved in the entire item should be reported in the column headed, "Pounds or pints", "Ounces", and "Grains". Different kinds of drugs or preparations must be reported as separate items, but each item should include all containers which are identical in size, manufacture, and contents.

7. A check (x) must be placed in the column headed, "Evidence", for each item in which the narcotics are held for court evidence in pending cases. A like notation will be placed in the column headed, "Available", for each item in which the narcotics are no longer needed for evidence, or which have come into your possession for proper disposal by the Government. The column headed, "Shipped", will be used only as provided in Instruction 3 of this communication.

8. In the column headed, "Ostensible Owner", should be reported for each item the name of the person, company, or firm from whom the narcotics were confiscated, seized, or otherwise secured.

The above instructions shall apply to all narcotic drugs and preparations coming within the purview of the Acts to which reference has been made in the first paragraph of this communication, and to any other drugs or preparations which may contain any of the narcotic drugs coming within the purview of said Acts. You, or an authorized agent under your direction, may destroy, in the presence of two witnesses, articles coming into your possession in connection with the lawful confiscation or seizure of narcotic drugs which do not come within the purview of said Acts and which are of little or no commercial value, such as empty bottles or other containers formerly containing narcotics, opium pipes and the usual paraphernalia used by opium smokers, and used hypodermic syringes, needles, etc. Articles so taken having a commercial value, such as balances and handbag (new or old), army and navy scales, torsion balances, unused hypodermic outfits, etc., should be carefully preserved and a schedule
of same forwarded to this office, when instructions will be given as to their disposition. Whenever the destruction of the articles you are authorized to destroy has been accomplished, a report, signed by you, or the agent working under your direction who effected such destruction, and the two witnesses, must be prepared, describing the articles, the quantity of each article so destroyed and showing the name or firm from whom such articles were taken in evidence. Extraordinary care must be exercised by you in determining whether such articles may be destroyed in order that the fullest compliance may be made with the provisions of said Section 1008 of the Act of February 26, 1919. All reports prepared relative to the destroying of the articles to which reference has been made should be forwarded to this office with the reports required by Instructions 1 of this communication.

The provisions of this mimeograph supersede the provisions of M-Mim. 2256 issued under date of September 16, 1919, and Pro-Mim. 53 issued under date of March 16, 1920, insofar as the provisions thereof concern narcotic drugs and preparations coming into the possession of Supervising Federal Prohibition Agents.

Please acknowledge immediately the receipt of this communication.

JOHN F. KRAMER
Prohibition Commissioner.

APPROVED:

WM. M. WILLIAMS
Commissioner of Internal Revenue.
TO COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE,
SUPERVISING FEDERAL PROHIBITION AGENTS,
AND FEDERAL PROHIBITION DIRECTORS:

In acknowledging mimeographs and circulars issued by the various units of the Bureau, it is requested that you send a separate communication for each one received in your office. In making acknowledgment it will be necessary, however, to mention only one serial number, together with the service symbol of the office making acknowledgment, as "Ac-Mimeograph - Coll. No. 3457;" "S&E-Circular - R. A. No. 117;" or "Ap-Circular - Pro. No. 2."

WM. M. WILLIAMS
Commissioner,
Bureau Authority for Expenditures.

TO COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE:
OF DIVISIONS, FEDERAL PROHIBITION
DIRECTORS AND SUPERVISING FEDERAL
PROHIBITION AGENTS:

Several requests have been received from disbursing officers in the field for the approval and payment of bills incurred for equipment and other miscellaneous items for which no allowance had previously been provided. This office has been lenient in these cases, realizing that in the establishment of new offices in the field, delay in the securing of equipment, etc., would embarrass the field officers and retard the functioning of their offices. It is believed that this condition no longer exists and it is imperative that in the future disbursing officers incur no expense unless an allowance has been provided for the expenditure. This is absolutely essential since otherwise there can be no administrative control over expenditures from the several appropriations, and an embarrassing deficit might result.

Every effort should be made to anticipate your needs in advance and where it is believed necessary to incur any expense not covered by an allowance, a request for an allowance with a full statement of the facts in the case should be submitted to this office so that prompt action can be taken. In the future, expenses incurred contrary to these instructions will be disallowed.

WM. M. WILLIAMS
Commissioner.
Treasury Department
Bureau of Internal Revenue
Office of Federal Prohibition Commissioner,
Washington, D.C.

Pre. Mimeograph
Pre. No. 114

August 5, 1920.

Federal Prohibition Agents Authorised to Proceed into Adjoining Department in case of Emergency.

TO SUPERVISING FEDERAL PROHIBITION AGENTS:

Because of numerous reports received of the failure on the part of the Supervising Federal Prohibition Agents to follow up immediately the investigation of cases where suspected violators of the law cross the border line from the investigating agent's territory into an adjoining department, it seems clearly advisable to authorize Supervising Federal Prohibition Agents in the investigation of a case, where delay in following clues would endanger the result, to direct the agents under their charge to proceed into the adjoining department for the sole purpose of developing the case immediately at hand. Such action is accordingly hereby authorized.

In all such cases the Supervising Agents, whose officers proceed into the adjoining department, will at the earliest possible moment notify the Supervising Agent of the neighboring department of the facts, and when the report of the investigation is completed a copy thereof will be furnished the Supervising Agent of the neighboring department. Agents so proceeding out of their own department will under no circumstances undertake independent investigation in the neighboring department but on the other hand, if in the development of the case which has taken them into the neighboring department they discover evidence of other violations, a special report will be made and transmitted by their Supervising Agent to the Supervising Agent of the neighboring department.

In rendering the monthly accounts for the agents who have proceeded outside their own department in accordance with the above authorization, Supervising Agents will make a full report showing the necessity for their procedure into the neighboring department, and a copy of this report signed in the Supervising Agent's handwriting will be filed with the account of each officer.

It should be especially noted that this order does not carry an authorization for the development in a neighboring department of any case where time will admit of the Supervising Agent originally in charge of the investigation communicating with the Prohibition Commissioner in order to receive a special authorization. In every case where conditions will admit of the delay, a special authorization must be secured.

Supervising Federal Prohibition Agents are requested to acknowledge receipt of this mimeograph letter.

J. H. KRAMER,
Prohibition Commissioner.

Approved:

W. J. WILLIAMS,
Commissioner of Internal Revenue.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

Ac-Mimeograph  August 9, 1920.
Coll. No. 2562
R.A. No. 122
Pro. No. 115

Expense incurred for stenographic services in the field.

COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE,
SUPERVISING FEDERAL PROHIBITION AGENTS,
AND FEDERAL PROHIBITION DIRECTORS.

No field officer shall incur any expense for stenographic help not covered by an allowance for the employment of the particular person, and no voucher covering charges for stenographic services will be approved unless the expense has been incurred under an allowance provided. Furthermore, no allowance for exigency purchases or miscellaneous items may be used as an authorization for payment of any expense incurred for stenographic services in the field.

PAUL F. MYERS,
Acting Commissioner.
NOTICE TO VENDEES OF APPROVAL OF PERMIT TO PURCHASE INTOXICATING LIQUOR.

TO FEDERAL PROHIBITION DIRECTORS:

Paragraph 2 of Treasury Decision 3041 approved July 1, 1920, modifying Regulations No. 60 relative to the sale, use, transportation, etc. of intoxicating liquor, provides as follows:

"All permits to purchase, Form 1410, when issued by the Director should be immediately mailed or delivered by him to the vendor, and the vendee notified that such permit has been approved and mailed, or delivered."

A form letter, Form No. 1458, has been prepared which will be used by Directors for the purpose of notifying vendees that their permits to purchase, Form 1410, have been approved and mailed or delivered to the vendor. The Forms 1458 are now being printed and will be distributed in the near future.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
Rates of Pay for Communication by Telegraph.

COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, FEDERAL PROHIBITION DIRECTORS, AND SUPERVISING FEDERAL PROHIBITION AGENTS:

Your attention is invited to the following excerpts of Order No. 4352 and Order No. 4493 issued by the Post Office Department fixing the rates for telegrams sent on official business during fiscal year 1921:

Order No. 4352

"Pursuant to the authority vested in the Postmaster General by the act of Congress entitled "An act to aid in the construction of telegraph lines, and to secure to the Government the use of the same for postal, military, and other purposes", approved July 24, 1866, and by the Revised Statutes of the United States, Title LXV, I hereby fix the rates at which such communications as the said statutes prescribe (not including those passing over circuits established by the Chief of the Weather Bureau, Department of Agriculture) shall be sent during the fiscal year beginning July 1, 1920, and terminating June 30, 1921, by the several companies within the effect of said statutes, as follows:

All messages shall be subject in all respects to the prevailing commercial count of chargeable words, and the address and signature of domestic messages shall be transmitted free in accordance with the commercial practice.

For day messages forty (40) per centum of the through full day-message rate between the same points in the United States shall be charged. The minimum charge for any day message shall be twenty-five (25) cents.

For day letters, night messages, and night letters forty (40) per centum of the prevailing commercial day-letter, night-message, or night-letter rate, as the case may be, between the same points in the United States shall be charged. The minimum charge for any night message shall be twenty (20) cents; for any night letter, thirty (30) cents; and for any day letter, forty-five (45) cents, except that the rate charged for a Government day letter or night letter shall not in any case exceed the amount charged for a commercial day letter or night letter of the same length between the same points.

In cases where the price of a message, determined as herein provided, shall include a fraction of a cent, such fraction, if less than one-half, is to be disregarded; if one-half or more, it is to be counted as one cent.

In cases where the message in transit to destination passes over the lines of two or more connecting companies subject to this order each such
company shall receive for its share of the transmission within the United States the above-designated percentage of its portion of the established through tolls to destination if to a point in the United States, or to the border if the destination is in Canada or Mexico.

In the case of message from the United States to points in Canada or Mexico, the above designated percentage shall apply with respect to the transmission within the United States, the basis being the appropriate prevailing commercial rate between the point of origin in the United States and the border.

* * * * * * * * * *

The statutes provide that telegrams between the several departments of the Government and their officers and agents, in their transmission over the lines of any company subject to this order shall have priority over all other business. All officers of the United States sending such telegrams should indorse thereon the words "Official business", and should report to the Postmaster General any failure to transmit them in such priority and any charge made in excess of the rates above prescribed.

* * * * * * * * * *

(Signed) J. C. KOONS,
Acting Postmaster General


Order No. 4497.

"The basis for fixing the rates under Order No. 4352, dated July 1, 1920, shall be the commercial telegraph rates as they existed on July 31, 1919, the Government rate to be 40 per cent of such rates for commercial business as they existed on said last-named date.

(Signed) A. S. BURLISON,
Postmaster General"

Order No. 4352 also provides that the telegraph companies shall submit original messages in support of their bills and the latter to bear the certificate of the local telegraph manager that all the messages billed are charged at the reduced Government rates.

Before paying bills for telegraph messages, disbursing agents should see that the provisions of the above mentioned orders are complied with.

Please acknowledge the date of the receipt of this letter by return mail.

PAUL F. MYERS,
Acting Commissioner.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

August 21, 1920.

S&W Mimeoograph
Coll. No. 2571
R. A. No. 125
Pro. No. 118

Acknowledgement of
Mimeographs and Circulars.

TO COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE,
SUPERVISING FEDERAL PROHIBITION AGENTS,
and FEDERAL PROHIBITION DIRECTORS:

Bureau Mimeoograph, Coll. No. 2555, R. A. No. 120, Pro.
No. 112, is hereby modified to provide that only such Bureau
Mimeographs and Circulars be acknowledged as specifically
request acknowledgment.

W. M. WILLIAMS,
Commissioner.
Application for Refund

Deputy Commissioners,
Heads of Divisions,
Collectors of Internal Revenue,
Internal Revenue Agents in Charge,
Supervising Federal Prohibition Agents and
Federal Prohibition Directors.

The Bureau of Pensions has issued a new Retirement form, 3-R6, application for refund. This form is to be used by Government employees who are leaving the service and who have had deductions made from their pay under the provisions of the Retirement Act.

Employees under your jurisdiction who desire to make application for refund should follow the procedure outlined below:

(1) Employees in the Bureau at Washington, will write to the Appointment Division of the Bureau for application.

(2) Employees in the field service will write to the Supervisor of Accounts, Bureau of Internal Revenue, Washington, D. C., for application.

Please acknowledge receipt of this communication.

PAUL F. INZERS,
Acting Commissioner.
Instructions relative to forwarding Disbursing and Collection Accounts

TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, SUPERVISING FEDERAL PROHIBITION AGENTS, AND FEDERAL PROHIBITION DIRECTORS:

In forwarding to this office schedules, vouchers, accounts current, etc., pertaining to your disbursing accounts, as well as correspondence which relates solely thereto, the envelopes or packages should in all instances be addressed as follows:

"Commissioner of Internal Revenue,
Washington, D. C.,
Office of Supervisor of Accounts".

Collectors of Internal Revenue in forwarding forms, correspondence, etc., which relate to their collection accounts, should use the same address.

Please acknowledge the date of the receipt of this letter by return mail.

WM. M. WILLIAMS,
Commissioner.
TO FEDERAL PROHIBITION DIRECTORS,
COLLECTORS OF INTERNAL REVENUE and OTHERS CONCERNED:

Attention is called to T.D. 3053 Approved June 21, 1920 which provides that proprietors of bonded wineries, bonded storerooms, and dealcoholizing plants must file bonds on Form 1408 or 1409.

In all cases where a bond is filed as above, covering but one establishment, the same should be executed in duplicate and filed with the Federal Prohibition Director, who, if he finds the same sufficient in all respects, will note on each copy his recommendation for approval. The Director will forward the original, with proper documentary stamps affixed thereto, to the Federal Prohibition Commissioner, and file the remaining copy, with proper indorsement as to documentary stamps affixed to the original, in his files. The copy retained by the Director should be filed by him with the application for permit. The Director will be notified by the Commissioner in the event that such bond is not acceptable. If blanket bond is filed covering two or more premises, the provisions of T.D. 3053 must be complied with.

The Commissioner will examine all such bonds received by him, and if he finds the same sufficient in all respects will indorse his approval thereon. He will also note on such bonds the serial numbers of permits issued by him. As provided in Section 9, Regulations 60, the Federal Prohibition Commissioner will forward to the Director one copy of permit if issued, which must be filed by the Director as provided in Section 13 of the above Regulations.

The Director should make an extra copy of card, Form 1411, covering each permit issued in his state coming within the following classes, and forward same to the Collector of Internal Revenue of the District in which the premises covered by the permit are located.

Permits to manufacture, class A
" " sell," B
" " import and sell," E
" " export and sell," G
" " use and sell," I
" " operate a dealcoholizing plant," L
In the event any permit covering such premises is revoked, the Federal Prohibition Director should so advise the Collector of Internal Revenue in order that he may note this fact on such card. In this manner, the Collector of Internal Revenue will be kept advised of the permits issued covering the manufacture and sale of intoxicating liquor in his district, and he will then take the necessary steps to see that the records required by internal revenue laws and regulations are kept and filed, and that all special and other taxes incurred are paid. The Collector should refuse to issue special tax stamp in any case unless the applicant has first procured appropriate permit.

JOHN F. KRAMER,
Federal Prohibition Commissioner.

Approved:

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, SUPERVISING FEDERAL PROHIBITION AGENTS, AND FEDERAL PROHIBITION DIRECTORS:

Department Circular No. 202, covering Time and Leave Regulations for the field forces of the Treasury Department, which include the employees of the Internal Revenue Service working under your direction, is printed below for your information:

TIME AND LEAVE REGULATIONS - FIELD FORCE

Department Circular No. 202
Division of Appointments

TO officers and employees of the Treasury Department Field Forces:

GENERAL PROVISIONS.

1. These regulations apply to all branches of the field service of the Treasury Department and to all employees thereof, except commissioned officers and enlisted men of the Coast Guard, commissioned officers and part time employees of the Public Health Service and Presidential appointees.

2. While in most instances local field officers are given authority under these regulations to grant leave without reference of the cases to the Department, they will be held strictly responsible that such absence shall be without additional expense to the Government, except in a one employee office where the employment of a substitute is necessary, and without detriment to the public service.

3. These regulations, in so far as hours of service and time of arrival and departure are concerned, do not apply to those employees whose hours of service are otherwise specified by law or regulations.

4. Leave of absence for less than one day of employees who are required by law or regulations to work eight hours per day will be computed on the basis of an eight hour day.

5. Willful neglect on the part of an official or employee in charge of a daily time sheet or record to report the absence of any employee will be considered sufficient grounds for dismissal of the person so offending.

6. Local field officers will be held to strict official responsibility for the enforcement of these regulations.
7. Absence under all classes of leave will be reported on the first working day of each month, (except that in the Customs Service an annual report shall be rendered on January 2 of each year in lieu of the monthly report) to the head of the service in Washington on Department stock form No. 2243. A record of all classes of leave will be kept by each local field officer for this purpose on Department stock form No. 2152. The total leave granted in each calendar year should be noted on Department stock form 2240 which shall be the permanent record. Thereafter the yearly record on Department stock form 2152 may be disposed of.

8. Only such forms as are now provided by Department regulations, or that may hereafter be authorized by the Secretary, will be used for time and leave records. The present Department stock forms which may be used are as follows: 2242, Daily list of absentees, to be used in reporting absentees to the local field officer, noting thereon under remarks the character of leave or the cause of tardiness; 2217, Application for leave, to be used in requesting leave of whatever character for one day or more; 2152, Record of Absence during the year, to be used as the record of leave in the office of the local field officer for the year; 2240, Leave record during service, to be used for recording yearly leave record; 2243, Monthly report of absence, to be used for reporting monthly and annual leave of all employees to the Department; 2243-A (continuation sheet), 2243-B, half length form for offices having less than twenty employees.

9. All orders, circulars, and regulations heretofore promulgated and inconsistent with these regulations are hereby revoked (except as provided in paragraph 3).

ANNUAL LEAVE OF ABSENCE

10. The local field officer directly responsible to the head of his service in Washington is authorized to grant annual leave, exclusive of Sundays and holidays, under the following conditions, namely:

11. Permanent employees in the service at the beginning of the year, who have served three years or more under the Department at the time leave is requested may be granted leave during any calendar year not to exceed thirty days, except as noted under "Exceptions," such leave to be allowed at the discretion of the local field officers, when the public business will permit.

12. Permanent employees in the service at the beginning of the year, who have served under the Department continuously for six months or more and less than three years at the time leave is requested, may be granted leave not to exceed fifteen days, or in exceptional cases thirty days except as provided under "Exceptions," before July 1, such leave to be allowed at the discretion of the local field officer, and the full period of thirty days or any unused portion thereof may be granted at any time after June 30.

13. No leave will be charged against a permanent employee who is granted leave under the provisions of paragraphs 11 and 12, who is stationed in Hawaii, Porto Rico, The Virgin Islands or abroad, and who has been accustomed to living on the mainland of the United States, for the time necessarily consumed in travel from the employee's station direct to the mainland and return.

14. Probationary employees in the service on January 1, who have served less than six months and those entering the service after January 1, may be granted leave at the rate of 23 days per month to the end of the calendar year, except as noted under "Exceptions." Periods of time of 6 days or less at the beginning of service will be treated as fifths of a month.
15. Temporary employees will not be allowed leave with pay during the first month of service. Beginning with the second month leave with pay will accrue at the rate of 2½ days for each successive month of service, except as noted under "Exceptions." Such leave will not be granted, however, until it has accrued, nor for service for a fraction of a month.

16. Employees leaving the service may be allowed accrued leave. In the event an employee who has had three years' continuous service in the Treasury Department and whose record is such as would make the case meritorious is separated from the service, the Secretary will consider an application for an extension of such allowance not to exceed 30 days.

17. Absence of fifteen minutes or less will be charged as fifteen minutes. Absence in excess of 15 minutes will be charged in multiples of 5 minutes. Absence all day on a Saturday not covered by Executive Order No. 1962, dated June 9, 1924, will be charged as one day.

18. Annual leave is not cumulative, except that of storekeepers, storekeeper-gaugers and gaugers of the Internal Revenue Service as provided by the Act of June 23, 1910. All leave not taken within the calendar year lapses.

19. Applications for leave for more than 1 day must be submitted in advance on Department stock form 2217. Applications for 1 day or less need not be made on this form, but the absence must be noted on the "Daily list of Absentees", Department stock form 2242.

20. Employees will be charged with the number of days of leave granted on applications unless request is made in writing for cancellation or modification thereof.

EXTENSION OF LEAVE OF ABSENCE ON ACCOUNT OF SICKNESS.

21. The local field officer is authorized to grant sick leave at the rate of 10 days a year; provided, that in any year there may be added to the 10 days any number of days the applicant may not have used of his 10-day allowance in each of the four preceding years, up to a limit of thirty days in any one year, except as noted under "Exceptions." Employees entering the service during the year may be granted the proportional part of the 10-day allowance from the date of appointment to the end of the calendar year.

22. When an applicant has used his 10-day allowance or the proportional part thereof in cases of employees entering the service after the beginning of the year, so as to reduce his accrued sick leave to less than the allowance provided in the preceding paragraph, the local field officer is authorized to consider exceptions thereto, in unusual and meritorious cases.

23. Slight illness or indisposition will not be accepted as sufficient cause for allowing sick leave. Such absence should be charged as annual leave.

24. Sick leave will not be granted in advance, neither will it be granted for a period of less than one day. Cases of personal illness, or exposure to contagious diseases, must be reported at once to the office to which the employee is attached, which office in turn should immediately report all cases of contagious diseases to the officer in charge who will cause an investigation to be made of the circumstances. Proof of negligence or of wilful misstatement in reporting such exposure to contagion, will be sufficient cause for discharging.
25. Absence on account of sickness on Saturday during the summer months in which Saturday is a four-hour day by Executive Order No. 1952, dated June 9, 1952, will be charged as one day.

26. Applications for sick leave must be submitted for the consideration of the approving officer on Department Stock Form 2217 within 5 days after the applicant's return to duty. If the application is for 2 days or less, it need not be accompanied by a certificate of an attending physician, but specific statements for not having had a physician in attendance must be stated and the application must be supported by an affidavit certifying that the absence was due to illness, and that the employee was unable to perform official duties and that no physician was in attendance. If the application is for a period of absence in excess of 2 days, a physician's certificate will be required in lieu of the above, but in meritorious cases this requirement may be modified in the discretion of the local field officer by accepting a statement of reasons for the absence supported by an affidavit as in the case of absence of 2 days or less. Applications may be sworn to before officers and employees of the Department authorized by law to administer oaths without payment of notarial fees.

27. Enforced absence of an employee on account of exposure to contagious disease, or absence of an employee necessitated by his attending or caring for some member of his immediate family afflicted with a contagious disease, will be approved as sick leave when a proper certificate is furnished by the attending physician or a public health officer.

28. The officer in charge will detail an officer or employee to investigate and report the facts in any case of absence without permission or in cases of questionable illness.

29. Local field officers will hold employees strictly accountable for the truth of statements appearing in applications for sick leave, and will investigate circumstances coming to their attention which may appear to be inconsistent with such statements. Proof of any wilful misstatement, or of any attempt of an employee to mislead or deceive official superiors, directly or indirectly, in regard to an application for extension of leave on account of sickness, will be sufficient cause for the dismissal of the offending employee.

30. No modification of annual leave or leave without pay to sick leave will be made unless sickness begins on or before the first day of the period granted as annual leave, or leave without pay, when such leave may be surrendered and sick leave granted instead under the usual limitations.

31. Mere dental work where there are no complications does not constitute sick leave.

32. Temporary employees will not be allowed sick leave; however, the head of the service in Washington will consider applications for sick leave of temporary employees injured in line of duty. Such applications must be supported by a statement of two witnesses to the injury and be accompanied by a recommendation from the local field officer.
LEAVE WITHOUT PAY.

33. Applications for leave without pay for one day or more must be submitted on Department Stock Form 2217 to the head of the service in Washington, who is authorized to grant the same. Applications for less than one day need not be submitted on this form, but the absence must be noted on the daily report, Department Stock Form No. 2242, to the local field officer. Leave without pay will not be granted for more than 60 days in any one calendar year, except as provided in paragraph 39.

34. If leave without pay on account of sickness is applied for, a certificate of the attending physician should be attached. If leave without pay is applied for, for any reason other than that given above, a statement must be attached, showing the necessity for such leave.

35. During the summer months in which Saturday is a four-hour day by Executive Order No. 1962, dated June 9, 1914, when an employee is granted leave without pay for the Saturday and returns to duty at the opening hour on the following Monday, he will be in a non-pay status for one day; if, however, he is absent without having previously applied for the leave without pay, he will be in a non-pay status for two days. This applies to any absence before Sundays or holidays, where leave without pay has not been approved.

MILITARY LEAVE

36. Applications for Military leave must subsequently be supported by a certificate of a competent officer of the National Guard to the effect that the time served was in accordance with General Orders, under the provisions of the act approved March 1, 1889 (25 Stat., 779). Such leave may be granted by the local field officer and reported and kept as required by paragraph 7.

COURT LEAVE

37. An employee who has been subpoenaed to attend court will be allowed special leave of absence with pay by the local field officer only when serving as a witness for the Federal Government. No report to the Department is necessary.

ABSENCE WITHOUT LEAVE

38. An employee detained by causes beyond control, and unable to report for duty at the opening hour must notify the officer in which employed to that effect not later than 11 o'clock a.m. on the first day of absence. Absence from duty for any cause, without prior permission, must be satisfactorily explained, and if not satisfactorily explained will be cause for deduction in salary or other disciplinary measures.

EXCESSIVE ABSENCE.

39. In the event an employee is not ready to resume active duty after annual, sick and without pay leave has been granted in accordance with these regulations, the local field officer having jurisdiction will report the case to the head of the service in Washington, immediately upon the expiration of such leave, giving a full statement of the facts in order that action may be taken to sever the employee from the service, without prejudice. Such employees with permanent Civil Service status will be eligible for reinstatement within
one year from the date of separation to any available vacancy. If, however, an employee is compelled to remain away from duty after having resumed active duty due to illness other than chronic or recurring attacks, additional leave without pay not to exceed 50 days will be allowed.

SUNDAYS, LEGAL HOLIDAYS, ETC.

40. Sundays and national legal holidays, and holidays by Executive Order, whether for the whole or part of a day, will not be counted on annual leave; neither will such days be counted in a grant of sick leave or leave without pay when the absence begins or ends on a Sunday or such holiday, (except as noted in paragraph 41). All such days occurring within a period of absence because of sickness or contagious diseases, or without pay, will be counted.

41. When sick leave expires on Saturday and the employee continues absence beginning Monday following, on leave without pay, the intervening Sunday will be charged as leave without pay.

TRANSFER OF LEAVE FROM OTHER DEPARTMENTS.

42. When an employee is transferred from another executive department or independent establishment of the Government to the Treasury Department, he will be given credit, on the basis of these regulations, for the unused portion of his annual and sick leave in the department or establishment from which transferred.

43. When an employee who has been serving in another executive department or independent establishment of the Government is appointed either from the regular or re-employment registers of the U.S. Civil Service Commission, leave will not be transferred.

TARDINESS

44. An accurate check of an employee's tardiness should be kept and filed with that employee's record for consideration in connection with recommendation for promotion or demotion.

45. The time clerk shall report to the local field officer each day, the names of all employees who were tardy that day, stating in each case the time of reporting for duty and the reason assigned for tardiness.

DISCIPLINE.

46. Employees must be at their desks or posts of duty at 9 a.m., or where other hours have been authorized, at the opening hour, and continue on duty thereafter until 4:30 p.m. or the closing hour where other hours have been authorized, unless absent on official business. A recess of half an hour for lunch will be allowed, from 12:30 to 1:00 p.m., unless other hours have been authorized, provided, however, that local field officers may vary the lunch hour of certain employees where the public business requires it.

47. The practice of eating luncheon in the buildings and taking half hour for other purposes; the reading of newspapers or other unofficial matter; conducting private correspondence, attending to business matters purely personal; using official time for private conversation and the discussion of unofficial subjects; loud and unnecessary talking and boisterous conduct of any nature; frequenting or loitering in the corridors of the buildings; and smoking in the...
file rooms will be held strictly responsible for the enforcement of this regulation, and violations thereof will be reported to the local field officer through the proper official channels.

ARRIVAL AND DEPARTURE DURING OFFICE HOURS.

48. Local field officers, chiefs and assistant chiefs of divisions and other administrative officers specifically authorized by local field officers are not required to observe the luncheon period.

WORKING OVERTIME.

49. When the condition of the public business necessitates such action, local field officers may require overtime work on the part of such employees as they may designate, but orders to this effect must be in writing. However, no additional compensation will be given for such overtime work unless otherwise specifically authorized.

EXCEPTIONS.

50. Employees in the Custodian Service will be required to serve not less than eight hours per day not including the period for luncheon, except charwoman, who are required to serve not less than five hours per day.

51. Custodians of Public Buildings are authorized to allow employees in the Custodian Service, who have served for a continuous period of six months or more under a probationary or permanent appointment, fifteen days' annual leave of absence, with pay, in any calendar year. Employees under such appointments who have served for a period of less than six months may be allowed annual leave, with pay, at the rate of 1/4 days for each month of service.

52. Employees of the Custodian Service serving under temporary appointments from the Department will be allowed leave of absence at the rate of 1/4 days for each month of service beginning with the second month.

53. The Custodian may submit the application of an employee, with his recommendation, to the head of the service in Washington for an extension of fifteen days' annual leave, with pay, which application will be given consideration in meritorious cases, but in no case shall the total annual leave, with pay, exceed thirty days in any calendar year.

54. Employees in the Custodian Service serving at a per diem rate of compensation will not be allowed sick leave, with pay.

55. Storekeepers, storekeeper-gaugers and gaugers in the Internal Revenue Service shall be granted cumulative leave of absence, with pay, not to exceed in the aggregate fifteen days for any one year; Provided, That said leave of absence is so computed as not to exceed one and one-quarter days for each two and six days said storekeepers, storekeeper-gaugers and gaugers are actually assigned to duty. (Act of June 23, 1910, 36 Stat., 595.)
56. Internal Revenue agents and inspectors (including prohibition agents and inspectors—MS, Compt. Decision, January 12, 1920) in the Internal Revenue Service shall be granted leave of absence, with pay, which shall not be cumulative, not to exceed thirty days in any calendar year. (Act of February 24, 1919, Section 1302, 41 Stat., 305). Sundays and holidays occurring within such leave of absence shall be included in computing the absence.

57. Storekeepers, storekeeper-gaugers, gaugers and internal revenue agents and inspectors and prohibition agents and inspectors are not entitled to additional leave, with pay, on account of sickness.

(Signed) D. F. HOUSTON

Secretary.

The provisions of this circular are effective immediately and should be called to the attention of all employees working under your direction.

The forms mentioned in this circular are now in the course of printing. Therefore, you should make requisition for a sufficient supply of each form to cover your immediate needs and these requisitions will be filled as soon as possible.

Please acknowledge the date of receipt of this letter by return mail.

PAUL F. MYERS,
Acting Commissioner.
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

September 13, 1920.

Traveling expenses incurred incident to attending United States Courts.

TO COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE OF DIVISIONS, FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS.

Traveling expenses incurred by internal revenue field officers, including prohibition and narcotic field officers, incident to attending United States Courts, whether or not such attendance is under subpoena, should be included on Form 63 and be paid from appropriations under the control of the Commissioner of Internal Revenue, if the field officers attend for the purpose of aiding the prosecution or testifying as witnesses to facts which they have officially investigated, except that field officers who are paid from the appropriation "Salaries and Expenses of Collectors of Internal Revenue," should present bills covering such expenses to the Department of Justice for payment from the appropriation "Fees of Witnesses, United States Courts," when attendance is under subpoena, since the internal-revenue appropriation contains a proviso to such effect.

The above instructions are in conformity with a ruling of the Comptroller of the Treasury under date of August 24, 1920, in which he held that Federal Prohibition Agents who are operating under, and whose salaries and expenses are payable from the appropriation "Enforcement of the Narcotic and National Prohibition Acts" come within the general rule and no payment of their expenses from the appropriation "Fees of Witnesses, United States Courts" is authorized when they attend court in their official capacity as such agents. In other words, the traveling expenses of such officers while attending a United States Court for the purpose of aiding the prosecution or testifying as witnesses to facts which they have officially investigated, should be paid from the appropriation from which their salaries are paid.

WM. M. WILLIAMS,
Commissioner.
TO FEDERAL PROHIBITION DIRECTORS AND OTHERS CONCERNED:

Attention is called to T.D. 3069 amending the provisions of Sections 69-c and 70, Regulations 60, which relate to certain records showing transactions in intoxicating liquor required to be kept by retail druggists or pharmacists. The record (No. 1455 and 1455-a) required to be kept as provided in Section 70, as amended, is now in the hands of the printer and as soon as printed a supply will be furnished each Director. Additional copies of these records may be procured by Directors upon filing requisitions in the usual manner.

One copy of this record will be furnished by the Director to each retail druggist or pharmacist holding permit authorizing the sale of intoxicating liquors. Retail druggists and pharmacists must make proper entries therein and furnish monthly copies or transcripts thereof to the Director, as required by Section 70, as amended, of Regulations 60. The instructions printed in this record should be carefully followed.

Until Record Book No. 1455 and 1455-a has been furnished retail druggists and pharmacists, they should forward each month a list of prescriptions and keep Supplemental Record 52, as provided in Sections 69 (c) and 70, Regulations 60. After such record book is furnished them, it should be kept in lieu of the list of prescriptions and Supplemental Record 52.

JOHN F. KRAMER, Prohibition Commissioner.

WM. M. WILLIAMS, Commissioner of Internal Revenue.
TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE,
SUPERVISING FEDERAL PROHIBITION AGENTS, FEDERAL PROHIBITION
DIRECTORS, AND OTHERS CONCERNED:

Under section 6 of the Legislative, Executive, and Judicial Appropria-
tion Act, approved May 23, 1920, the increased compensation at the
rate of $240 per annum, or other rates provided therein, can be granted
to employees in the service on June 30, 1919, who have received during
the fiscal year 1920, or shall receive during the fiscal year 1921, an
increase in salary at a rate in excess of $200 per annum, or employees,
whether previously in the service or not, who have entered the service
since June 30, 1919, whether such employees have received an increase in
salary or not, only when and upon the certification of the head of the
Department of the ability and qualifications personal to such employees
as would justify such increased compensation.

The following instructions are hereby issued relative to the question
of granting the increased compensation in the classes mentioned above:

1. No payment of the increased compensation in the cases mentioned
shall be made by any disbursing officer until notification has been re-
duced that the employees have been certified by the Secretary of the
Treasury. Permanent and temporary employees may be certified for the in-
creased compensation, provided the officer under whom they are assigned
to duty certifies that the ability and qualifications personal to the em-
ployee justify such increase.

2. Recommendation for the increased compensation should be made promptly
at the time it is determined that the ability and qualifications personal
to the employee justify such increase. The work of each new employee
should be carefully scrutinized and as soon as you are satisfied that his
services are of such a character that the increased compensation is justi-
fied, you should make recommendation to this office that he receive such
compensation. It is the view of the Department that generally a period of
30 days is required to test the fitness of an employee to determine the pay-
ment of the increased compensation but officers in the field are given dis-
gnition to recommend the increased compensation in a period less than 30
days if in their judgment such shorter period has been sufficient to test
the qualifications of the employee.
3. If the recommendation is made by you within 30 days from the date the employee is appointed, the effective date for the increased compensation may date from the date of appointment, if so recommended by you.

4. However, in case the employee's services have not been such as would justify a recommendation that he receive the increased compensation, your recommendation should be deferred until his services are worthy of such a recommendation.

5. You will specifically state the date on which you recommend that the increased compensation become effective; this must not be retroactive for a period greater than 30 days from the date of your recommendation, unless in very exceptional circumstances which must be fully explained.

6. This office will not recommend to the Secretary of the Treasury that employees assigned to duty under your direction receive the increased compensation until such a recommendation is received from you on Form 7364 (copies enclosed herewith). Care should be taken that certifications are made promptly in accordance with the above instructions in order that deserving employees will not be denied the increased compensation through negligence on the part of others. This office will not consider oversight, neglect on the part of employees in your office, etc., as sufficient reasons to make exception to the above instructions and delayed recommendations will cause the effective date for the increased compensation to be fixed not earlier than 30 days prior to the date of your recommendation, unless, as provided in paragraph 5, you set forth very exceptional circumstances which would justify making the effective date retroactive beyond such period.

7. To expedite delivery of Forms 7364, you should forward them in separate envelopes, addressing them as follows:

"Commissioner of Internal Revenue,

Washington, D.C.

Office of Commissioner of Accounts."


9. Please acknowledge the date of receipt of this letter by return mail.

(Signed) PAUL F. MYERS,

Acting Commissioner.

Approved: September 27, 1920.

D. T. O'BRIEN,
Secretary of the Treasury.
TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE OF DIVISIONS, SUPERVISING FEDERAL PROHIBITION AGENTS, FEDERAL PROHIBITION DIRECTORS, AND OTHERS CONCERNED:

In accordance with Ac-Mimeograph Coll. No. 2595, R.A. No. 131, Pro. No. 126, all of the permanent employees receiving salary at a rate less than $2740 per annum assigned to duty under your direction who were in the service on July 1, 1920, have been certified by the Secretary of the Treasury to receive the $240 increased compensation provided by Section 6 of the Legislative, Executive, and Judicial Appropriation Act, approved May 28, 1920. You are also advised that all of the temporary employees receiving salary at a rate less than $2740 per annum who were in the service on July 1, 1920, will be certified to receive the increased compensation.

In the case of employees who have entered the service since July 1, 1920, this office has not recommended to the Secretary of the Treasury that they be certified unless recommendation to this effect has been received from you. Notification that the employees so recommended by you have been certified will be forwarded to you in the regular manner. You should immediately make a check of all your employees so as to see if all who have been appointed since July 1, and whose services have been satisfactory and warrant the increased compensation, have been recommended by you to receive the increased compensation. If you discover that any have been overlooked who should be recommended your recommendation should be made at once and transmitted to the Commissioner of Internal Revenue (Office of the Supervisor of Accounts).

In this connection, your particular attention is invited to Ac-Mimeograph Coll. No. 2595, R.A. No. 130, Pro. No. 125 and all future recommendations should be made in accordance therewith. It is the desire of this office that the certifications be kept as current as possible and thus avoid asking the Secretary to make retroactive certifications. When you recommend that the increased compensation be effective on a date that is retroactive for a period greater than 30 days from the date of your recommendation, care should be taken that the explanation called for in paragraph 5 of this mimeograph is forwarded.
Ac-Mim. No. 2595

with your recommendation. Naturally, it is expected that you will not recommend any employees for the increased compensation until you are satisfied that their services warrant such a recommendation.

The attention of Collectors of Internal Revenue is invited to the fact that storekeeper-gaugers and gaugers who have entered the service since July 1st or who enter the service subsequent to this date must be recommended for the increased compensation, in accordance with the last mentioned mimeograph letter, before recommendation will be made by this office that they be certified by the Secretary.

This office must depend upon the recommendations made by field officers in regard to the increased compensation and if the instructions are carefully observed there is no reason why the work cannot be kept current. To this end, it is requested that all field officers fully cooperate and in all cases when the recommendation is not made until after 30 days from entrance in the service, full explanation should be filed with your recommendation as required in paragraph 3 of this letter.

WM. N. WILLIAMS,
Commissioner.
INSTRUCTIONS RELATIVE TO MANUFACTURE OF CIDER, CIDER VINEGAR AND NON-INTOXICATING CIDER.

TO FEDERAL PROHIBITION DIRECTORS AND OTHER CONCERNED:

Numerous inquiries are being received in this office relative to the manufacture, sale, and use of cider and the manufacture and sale of cider vinegar.

For the benefit of all concerned the following instructions are issued:

HARD OR FERMENTED CIDER.

Section 1 of Title II of the National Prohibition Act defines "intoxicating liquor", and the definition is held to include hard or fermented cider containing \( \frac{3}{4} \) of 1% or more of alcohol by volume.

Any person desiring to manufacture such hard or fermented cider for conversion into vinegar or for any other legal non-beverage purpose is required to qualify by giving bond and procuring a permit. (See Reg. 60, Arts. 3 and 5, and T.D. 3053). Such hard or fermented cider may be sold only in quantities of five wine gallons or more by one qualified permittee to another permittee pursuant to permit to purchase, Form 1410. Full instructions for the procurement and shipment of such intoxicating liquor under permit to purchase, Form 1410, will be found in Article 8 of Regulations 60.

It is illegal to possess, except in the home, cider containing one-half of 1 per cent or more of alcohol by volume without a permit. If a person purchases cider for commercial use containing less than one-half of 1 per cent of alcohol by volume and such cider later develops a greater alcoholic content than permitted by law, the person so possessing such cider in good faith may apply for a permit to dispose of the same to another permittee as above provided.

Sweet Cider Containing Less Than One-half of One Per Cent of Alcohol by Volume.

Where the alcoholic content of sweet cider is kept, at all times, below one-half of one per cent by volume, the manufacturer or vendor is not required to give bond or secure a permit either to ship or sell.

Such sweet cider, however, should be sterilised or preserved and be put up in sterilised glass bottles or other similar closed containers to insure the alcoholic content remaining less than one-half of one per cent by volume until consumption. Cider containing less than one-half of one per cent of alcohol by volume put up in closed containers by the manufacturer
for sale as a soft drink is subject to a tax of 10% of the sales price under Section 629 of the Revenue Act of 1918.

Manufacturers who sell sweet cider in bulk containers such as barrels for use as a soft drink must pay the tax thereon and are held responsible for preserving and marketing it in such manner as will insure the alcoholic content remaining less than one-half of 1% by volume until consumed. If such cider is found upon the market containing one-half of 1% or more of alcohol by volume, the burden of proof is upon the manufacturer to show that such liquid contained less than one-half of 1% of alcohol by volume at the time it was manufactured or sold by him, or withdrawn from the place manufactured.

Sweet apple cider containing less than one-half of 1% of alcohol by volume may be sold in bulk containers, such as barrels, for use in the manufacture of vinegar or apple-butter without payment of tax thereon, but the vendee must furnish a written order showing the kind and quantity to be furnished and that the alcoholic content is to be less than one-half of 1% by volume, and the names and addresses of the vendee and vendor, respectively. These orders must be permanently filed by the vendor in alphabetical order and be open to inspection by internal revenue and prohibition officers. A label showing the same data as the order must be affixed to each container. The entries covering such sales on the records required to be kept and the returns to be made, if any, by Regulations 52 and 53, respectively, pertaining to soft drinks should be in red ink.

Sweet cider direct from the press may be sold to customers by the glass or in other open containers without payment of sales tax, provided it is not mixed or compounded with any other ingredient and sold for consumption at the place of business or in proximity to such place of business.

Farmers and other persons, without obtaining permit or giving bond, may take fresh apples or other fresh fruit to a commercial mill for the purpose of having the juice expressed therefrom, and such fresh juice of the fruit containing less than one-half of 1% of alcohol by volume may be removed for use in the home exclusively.

Dried fruits such as raisins may not legally be used in the manufacture of such non-intoxicating fruit juices exclusively for use in the home.

Full information on these subjects may be obtained from the Federal Prohibition Directors of the various States.

JOHN F. HURMER, 
Prohibition Commissioner.

WM. M. WILLIAMS, 
Commissioner of Internal Revenue,

Approved: October 7, 1920.
REPORT ON APPLICATION FOR REFUND
Retirement Act of May 22, 1920

TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS
IN CHARGE, SUPERVISING FEDERAL PROHIBITION AGENTS, FEDERAL
PROHIBITION DIRECTORS, AND OTHERS CONCERNED:

The retirement act (Act of May 22, 1920) requires the Civil Service
Commission to make certification on which the Bureau of Pensions computes
the amount of refund for all employees covered by the retirement act who
are separated from the service. In order to assist the Civil Service
Commission a supply of forms is inclosed upon which to report certain infor-
mation necessary to make this certification.

You are hereby directed to fill out one of these forms for each
employee covered by the retirement act who has become separated from the
service between the period from August 1 to September 30, 1920, inclusive
and forward same to this office as soon as possible. In the future, on
or before the 5th day of each month, you should fill out and forward to
this office one of these forms for each employee covered by the retirement
act who was separated from the service during the previous month. Care
should be taken that the forms are completely filled out as indicated in
the blank, and they should be signed by you on the line indicated "Head
of Office or Bureau".

The above does not apply to employees retired from the service
under the Act of May 22, 1920, on account of having reached the retirement
age, or as result of total disability.

In this connection, your attention is invited to Aa-Mimeograph Coll.
No. 2593, R. A. No. 132, Pro. No. 128, dated July 24, 1920 which fully
sets forth the employees who come within the provisions of the Retirement
Act.

It is the desire of this office that this work be handled expeditiously
and field officers are requested to fully cooperate and see that the above
instructions are carried out.

In order to expedite delivery of these forms, you should forward
them in separate envelopes addressed as follows:

"Commissioner of Internal Revenue,
Washington, D.C.
Office of Supervisor of Accounts"

WM. M. WILLIAMS,
Commissioner,
TREASURY DEPARTMENT
REPORT ON APPLICATION FOR REFUND
Retirement Act of May 22, 1920

(Name) was employed in the (Office)
as (Designation of Position) from (Day) (Month) (Year)
to (Day) (Month) (Year) when absolutely separated from the classified
service because of

Complete schedule of employment since July 31, 1920, giving base pay of the
positions as fixed by law or regulation, but not including bonuses, allowances or
overtime pay.

<table>
<thead>
<tr>
<th>DEPARTMENT, BRANCH:</th>
<th>FROM-</th>
<th>TO-</th>
<th>RATE</th>
<th>PER</th>
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<tbody>
<tr>
<td>INDEPENDENT OFFICE:</td>
<td>Day : Month : Year</td>
<td>Day : Month : Year</td>
<td>Dollars : Cents</td>
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</tr>
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That subsequent to July 31, 1920, this employee was in nonpay status and lost
base pay as follows:

<table>
<thead>
<tr>
<th>FROM-</th>
<th>TO-</th>
<th>RATE</th>
<th>PER</th>
<th>Loss of Base Pay</th>
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<td>Day : Month : Year</td>
<td>Day : Month : Year</td>
<td>Dollars : Cents</td>
<td></td>
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</tr>
</tbody>
</table>

Was deduction made in this employee's salary from August 1, 1920, to date of
his separation, inclusive?

(State) Head of Office or Branch
TREASURY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

October 9, 1930.

Deposit of Appropriation Balances.

TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS:

The attention of disbursing agents is again invited to the requirement of Department Circular No. 133, that all unexpended balances of appropriations be deposited to the credit of the Treasurer of the United States as soon as practicable after the expiration of the fiscal year for which they were made (Regulations No. 2, Art. 172 J).

In compliance with said circular, any unexpended balances remaining to your credit from the definite annual appropriations for the fiscal year 1920 should be deposited to the credit of the Treasurer of the United States without delay. In accordance with the instructions contained in par. 3, Ac-Mim. 2599, June 18, 1920, accounts outstanding for which bills are received after 1920 funds are deposited should be submitted to the Commissioner (Office, Supervisor of Accounts) for payment by direct settlement.

The indefinite appropriations for "Refunding Taxes Illegally Collected, 1919", and "Refunding Taxes Illegally Collected, 1920", are not included in the requirements of this mimeograph, and such funds may be retained or additional funds applied for as needed.

WM. M. WILLIAMS,
Commissioner.
October 11, 1920.

Ac-Mimeograph
Coll. No. 2601
R.A. No. 134
Proc. No. 130

Time and Leave Regulations.

TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, SUPERVISING FEDERAL PROHIBITION AGENTS; AND FEDERAL PROHIBITION DIRECTORS.

Paragraph 47 of Department Circular No. 202 which was quoted in Ac-Mimeograph, Coll. No. 2578, R.A. No. 122, Proc. No. 122 should read as follows:

47. The practice of eating luncheon in the buildings and taking a half hour for other purposes; the reading of newspapers or other unofficial matter; conducting private correspondence; attending to business matters purely personal; using official time for private conversation and the discussion of unofficial subjects; loud and unnecessary talking and boisterous conduct of any nature; frequenting or loitering in the corridors of the building; and smoking in the file rooms, are positively prohibited. Chiefs of divisions, sections, and rooms will be held strictly responsible for the enforcement of this regulation, and violations thereof will be reported to the local field officer through the proper official channels.

WM. M. WILLIAMS,
Commissioner.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE,
Office of Federal Prohibition Commissioner,
Washington, D. C.

Pro. Mimeograph
Coll. No. 2604
Pro. No. 131

October 12, 1920.

Assessments in Liquor Cases
Officer reporting case to ascertain whether
party charged has property to satisfy assessment.

TO COLLECTORS OF INTERNAL REVENUE, FEDERAL PROHIBITION DIRECTORS,
AND SUPERVISING FEDERAL PROHIBITION AGENTS:

The assessments which are being made in liquor cases will, it
is believed, prove to be one of the most effective means of enforcing prohibition. They cannot be fully effective for this purpose,
however, unless collections are made in all cases in which collection
is possible. Some cases have recently come to the attention of this
office in which, after report by the collecting officer showing no
property subject to distraint, it was found that collection could
have been made, which furnishes good ground for supposing that in
other cases violators from whom collection might have been made
have escaped altogether.

In order to facilitate the work of collecting officers, and to
insure as consistent enforcement of the law as is practicable, it
is directed that investigating officers who develop cases against
violators of the National Prohibition Act, or of the Internal Revenue Laws relating to distilled spirits, wines, or fermented
liquors, shall at the time of the original investigation make
inquiry concerning the resources of the person charged and the
possibility of satisfying such assessment as is recommended, and
make report accordingly, showing the various property items and
their locations, in detail. Such a report, if carefully made,
should be of great assistance to the collecting officer, who
will be expected either to realize upon so much of the property
shown by the original report to be available, as may be necessary,
or to show why such action cannot be taken.

JOHN F. KRAKER,
Prohibition Commissioner.

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
Increase of Compensation - Field Service

TO COLLECTORS OF INTERNAL REVENUE AND SUPERVISING FEDERAL PROHIBITION AGENTS:

In connection with Ac-Mimeograph Coll. No. 2593, Pro. No. 125, and Ac-Mimeograph Coll. No. 2595, Pro. No. 126, you are advised that recommendations for the certification of warehouse agents shall be made in accordance with the provisions of the first mentioned mimeograph by the Collectors of Internal Revenue under whom they are assigned to duty. Separate Form 7384 should be used in submitting recommendations for the certification of this class of employees.

Notification of the action taken by the Secretary, relative to the certification of these employees, will be sent to both the Collector of Internal Revenue making the recommendation and the Supervising Federal Prohibition Agent to whom their salary vouchers are sent for payment.

Please acknowledge the date of receipt of this letter by return mail.

WM. M. WILLIAMS,
Commissioner.
Release of Property seized under Section 26 of Title II of the National Prohibition Act.

TO SUPERVISING FEDERAL PROHIBITION AGENTS:

The attention of this Bureau has been called to the fact that Agents making seizures, under Section 26 of the National Prohibition Act, of automobiles or other vehicles employed in the unlawful traffic of liquors, have been returning same to the owners without any regularity as to procedure.

To provide against this, Bond, Form No. 1457 has been prepared which will be used hereafter in all cases of seizures of vehicles for their return to the owners thereof.

It is of vital importance that the approving officer be satisfied that the sureties, if individuals, are worth over and above all their debts and liabilities, and such other exemptions as may be allowed by law, not less than the penal sum of the bond, which is required to be double the estimated value of the property. The bond should be executed in duplicate; the original, with documentary stamps affixed as required by law, shall be filed in the office of the Supervising Federal Prohibition Agent, and the duplicate immediately forwarded to the Prohibition Commissioner.

Inasmuch as Federal Prohibition Agents are not under bond to the United States Government, it is not desirable that collateral security such as Liberty Bonds be accepted. If, however, it is essential that collateral security be accepted for the release of the vehicle, such bond should be executed in the presence of the Collector of Internal Revenue or United States Commissioner and the securities placed in his care and a receipt given therefor to the principal, showing the serial number of the bond, date of issue and amount of each.

Under no circumstances are Federal Prohibition Agents and others making seizures of vehicles or other property under Section 26 of the National Prohibition Act, authorized to release same except to the true owner thereof, and upon execution of a bond as hereinbefore provided.
In case a person in charge of the vehicle makes his escape and his identity is known or can be learned, a warrant should be obtained and his arrest accomplished as soon as possible. If the identity of a person using the vehicle unlawfully cannot be ascertained, the liquor should be detained, and if it is not forfeitable under the Internal Revenue Laws action should be taken with respect thereto pursuant to the provisions of Section 25 of the National Prohibition Act. If in such case the owner of the vehicle is known, it must be returned to him, unless there is sufficient evidence of complicity in the unlawful use thereof warranting his prosecution. If the identity neither of the person using the vehicle nor of the owner thereof can be discovered, the vehicle should be turned over to the United States Marshal and a report made to the United States District Attorney with request that he apply to the Court for an order covering disposition of the property as provided by the final sentence of Section 26 of the National Prohibition Act.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved: October 12, 1920.

W. M. WILLIAMS,
Commissioner of Internal Revenue.
Modification of Travel Regulations

TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, FEDERAL PROHIBITION DIRECTORS, AND SUPERVISING FEDERAL PROHIBITION AGENTS:

Officers and employees absent from their designated post of duty on official business at a place at close of day distant therefrom not more than one hour's travel must return to their post of duty unless otherwise directed by the proper supervisory official, and in such cases of daily return actual expenses of meals procured at place of employment while absent from designated post of duty (see regulations governing subsistence, hours of meals, etc.) and transportation charges will be allowed. Directions to remain at place of employment will be given only when it is deemed advisable in the interests of the Government for an officer or employee to remain and not return to his post of duty daily, and in such cases the written order of the supervisory official should be attached to the account. Where the necessity to remain and not to return develops after the officer or employee has reached his place of employment, the facts should be stated on the account when the voucher for reimbursement is submitted, and will then be approved or disapproved for payment accordingly.

Officers and employees absent from their designated post of duty on official business at a place distant therefrom more than one hour's travel must remain away until their particular duties at such place are completed, unless earlier recalled by the proper supervisory official, or unless they shall receive, before leaving their post of duty, instructions from the supervisory official to return thereto over night, Sundays and holidays, on the condition that such return shall cause no loss of time from official duties and will effect an actual saving to the Government over and above the subsistence expenses which would be incurred at the place of employment. For travel so performed reimbursement of the actual and necessary expenses will be allowed.

Supervisory officials include such officers as collectors of internal revenue, supervising federal prohibition agents, federal prohibition directors, agents in charge of divisions, and all other officers who are in immediate charge of field force.

Directions issued by supervisory officials to an officer or employee authorising him to remain at place of employment distant from his designated post of duty not more than one hour's travel will be in
You are directed to proceed on official business to_____, a point distant not more than one hour's ride from______, your designated post of duty, and there to remain until said business is completed. For such travel you will be entitled to reimbursement of actual expenses for subsistence and transportation authorized by law and internal-revenue travel regulations.

(Signed) 
(Name) 

(Title)

The instructions issued by a supervisory official authorizing an officer or employee to return over night, Sundays and Holidays to his designated post of duty which is more than one hour's ride from place of employment will be in the following form:

(Place)  (Date)  192

You are directed to proceed on official business to______, a point distant more than one hour's travel from______, your designated post of duty, and to return thereto at close of each working day over night, Sunday or Holiday, until said business is completed, it having been decided by me that said travel to and from place of employment will cause no loss of time from your official duties and will result in an actual saving of expense to the Government.

(Signed) 
(Name) 

(Title)

An-Mimeograph 2606, dated March 6, 1920, is revoked.

WM. M. WILLIAMS, 

M. KELLY, 
Assistant Secretary.
TO COLLECTORS OF INTERNAL REVENUE, FEDERAL PROHIBITION DIRECTORS, SUPERVISING FEDERAL PROHIBITION AGENTS, AND OTHERS CONCERNED:

Questions have arisen concerning the application of Pro. Mm. No. 84, relating to the manufacture of nonintoxicating cider and nonintoxicating fruit juices exclusively for use in the home, to the Internal Revenue laws. It is hoped that the following statement will make the situation clear:

Cider made and used in the home is not subject to tax under the Internal Revenue laws, but grape and other fruit juices, not including cider, if fermented to the point where they contain one-half of one per cent of more of alcohol by volume, even though not intoxicating, and regardless of Section 29, Title II, of the National Prohibition Act, are subject to tax under the Revenue Act of 1918 as wine. All persons producing fruit juice other than cider containing one-half of one per cent or more of alcohol by volume are required to register in accordance with Regulations No. 28, Supplement No. 2, and T. D. 2765. Subject to the limitations indicated by T. D. 2765, the head of a family who has properly registered may make 200 gallons exclusively for family use without payment of tax thereon. If he makes more than 200 gallons, he must give a bond and pay tax on the excess. If such excess amount is intoxicating, double the ordinary tax is due as provided by Section 35 of Title II of the National Prohibition Act.

WM. M. WILLIAMS,
Commissioner.

The Comptroller of the Treasury in deciding that a person holding another office or position in Government service may be appointed a deputy collector without compensation upon a recommendation of the Commissioner of Internal Revenue and approved by the Secretary of the Treasury, stated in part as follows:

"Any person legally appointed a deputy collector of internal revenue is clothed by such appointment with all of the power and authority vested by law in that office. I find no authority of law for a qualified appointment with restricted power and authority. Apparently the law does not contemplate an appointment without compensation for a restricted service only. However, the law imposes upon the commissioner and the Secretary, respectively, the duty of recommending and allowing compensation of deputy collectors of internal revenue, and an appointment without compensation, if based upon such recommendation and allowance, will not be questioned by this office."

While the law does not contemplate an appointment without compensation for a restricted service only, since deputy collectors are subject to removal by the appointing power, to-wit: the Collector, and responsible to him, their duties may be restricted by the Collector to such as he may prescribe, and the appointment thus made with all the power and authority vested by law in the office, is of the same practical effect as if it had been made for restricted service only.

In order that there may be no question concerning the appointments which have been made of prohibition enforcement officers and others as deputy collectors, collectors are hereby directed to make a separate report in triplicate, of each such appointment, to the Commissioner of Internal Revenue. Upon return of two copies to the Collector showing approval of the appointment by the Secretary of the Treasury, the Collector will issue the regular identification card to the appointee showing his authority to perform the duties of a deputy collector. One copy of the approved report will be furnished to the Supervising Federal Prohibition Agent or similar supervisory officer concerned.
As to the duties to be performed by such deputy collectors serving without compensation, this shall be determined by conference between the Collector and the Supervising Federal Prohibition Agent or other similar supervisory officer, and such duties shall be reduced to writing and a copy thereof preserved in the files of each party to the agreement. It shall be clearly set forth what duties such deputy collectors shall perform. Ordinarily their duties would include the administration of oaths in connection with the execution of jurats and the filing of informations for arrest and search warrants, under the Internal Revenue laws, the making of seizures and sale of property forfeited by reason of violations of Internal Revenue Laws relating to the production, sale, etc., of intoxicating liquors, and the performance of such other duties, such as serving distraint warrants, and disposing of property thereunder, etc., as the Collector and the Supervising Prohibition Agent may deem advisable. Collectors may require a bond of the officer so appointed should it be deemed expedient.

WM. M. WILLIAMS,
Commissioner.

Approved: October 14, 1920.

D. F. HOUSTON,
Secretary of the Treasury.
SUPPLEMENTAL INSTRUCTIONS RELATIVE TO THE ASSESSMENT AND COLLECTION OF THE SPECIAL TAX IMPOSED BY SUBDIVISION (12), SECTION 1001, ACT OF FEBRUARY 24, 1919.

TO SUPERVISING FEDERAL PROHIBITION AGENTS, COLLECTORS OF INTERNAL REVENUE, AND OTHERS CONCERNED:

1. Attention is directed to the provisions of Subdivision (12), Section 1001, of the Revenue Act of 1918, which reads as follows:

"That on and after January 1, 1919, there shall be levied, collected, and paid annually the following special taxes:

"(12) Every person carrying on the business of a brewer, distiller, wholesale liquor dealer, retail liquor dealer, wholesale dealer in malt liquor, retail dealer in malt liquor, or manufacturer of stills, as defined in section 3244 as amended and section 3247 of the Revised Statutes, in any State, Territory, or District of the United States contrary to the laws of such State, Territory, or District, or in any place therein in which carrying on such business is prohibited by local or municipal law, shall pay, in addition to all other taxes, special or otherwise, imposed by existing law or by this Act, $1,000.

"The payment of the tax imposed by this subdivision shall not be held to exempt any person from any penalty or punishment provided for by the laws of any State, Territory, or District for carrying on such business in such State, Territory, or District, or in any manner to authorize the commencement or continuance of such business contrary to the laws of such State, Territory, or District, or in places prohibited by local or municipal law."

2. This subdivision imposes a special tax; not a penalty. The tax should be assessed in each instance where the business of a brewer, distiller, wholesale or retail liquor dealer, wholesale or retail dealer in malt liquors, or manufacturer of stills, as defined in section 3244 R.S. as amended, and section 3247 R.S., is engaged in contrary to the prohibitory laws of any State, Territory, District or municipality.

3. This subdivision has been dealt with in two previous mimeograph letters: Rev. Epts. Mm. 2191, and Pro. Mm. 95. For the purpose of supplementing the instructions heretofore issued, and in order to facilitate the assessment and collection of this tax, the following information with respect to the various state laws is promulgated for the convenience and guidance of field officers and others concerned.
Unless otherwise indicated, and subject to the qualification that "manufacture of fermented liquors" means "manufacture for sale," liability to this tax will be incurred in the states named below, and in dry territory in local option states, on account of (1) the manufacture or sale for beverage purposes of fermented liquors of any name or description, manufactured from malt, wholly or in part, or from any substitute therefor, (2) the manufacture or sale for beverage purposes of distilled spirits, or (3) the sale for beverage purposes of wine; provided, however, that such beverages contain alcohol by volume in the amounts hereinafter specified.

**Alabama:** Local option. One-half of one per centum.

**Arizona:** Local option. Any intoxicating liquor. Question of fact.

**Arkansas:** Local option. One-half of one per centum.

**California:** Local option. One per centum or more. Prohibition extends only to sale, not to manufacture.

**Colorado:** Local option. One-half of one per centum.

**Connecticut:** Local option. One-half of one per centum. Prohibition extends only to sale, not to manufacture.

**Delaware:** Local option. One-half of one per centum.

**District of Columbia:** Local option. One-half of one per centum.

**Florida:** Local option. One-half of one per centum.

**Georgia:** Local option. One-half of one per centum.

**Idaho:** Local option. One-half of one per centum.

**Illinois:** Local option. One-half of one per centum.

**Indiana:** Local option. One-half of one per centum.

**Iowa:** Local option. One-half of one per centum.

**Kansas:** Local option. One-half of one per centum.

**Kentucky:** Local option. One-half of one per centum. Prohibition extends to sale only, not to manufacture.

**Louisiana:** Local option. Two per centum. Prohibition extends to sale only, not to manufacture.

**Maine:** Local option. One-half of one per centum.

**Maryland:** Local option. One-half of one per centum. Prohibition extends to "sale" and "manufacture for sale."

**Massachusetts:** Local option. More than one per centum. Prohibition extends to sale only, not to manufacture.
-3-

Michigan: ---

Minnesota: ---

Mississippi: ---

Missouri: ---

Montana: ---

Nebraska: ---

Nevada: ---

New Hampshire: ---

New Jersey: ---

New Mexico: ---

New York: ---

North Carolina: ---

North Dakota: ---

Ohio: ---

Oklahoma: ---

Oregon: ---

Pennsylvania: ---

Rhode Island: ---

South Carolina: ---

South Dakota: ---

Tennessee: ---

Texas: ---

Utah: ---

Vermont: ---

One-half of one per centum.

One-half of one per centum.

One-half of one per centum. Manufacture of domestic wines for household use not prohibited.

One-half of one per centum.

Two per centum.

More than one-half of one per centum.

One-half of one per centum.

More than one per centum.

Local option. One-half of one per centum. After cessation of present war, as and when proclaimed by the President of the United States, more than three and one-half per centum. Prohibition extends only to sale, not to manufacture.

One-half of one per centum.

Local option. One-half of one per centum. Prohibition extends only to sale, not to manufacture.

One-half of one per centum.

One-half of one per centum.

One-half of one per centum. No prohibition against the sale of unfermented wines and cider made from fruits grown in the State.

More than one-half of one per centum.

Local option; (license system) no interpretation. There is no statutory prohibition, but judges refuse to issue licenses.

Local option. More than four per centum by weight.

More than one per centum.

One-half of one per centum.

More than one-half of one per centum.

More than one per centum.

More than one per centum.

Local option. More than one per centum. Prohibition extends only to sale, not to manufacture.
Pro. Mim. 2612

VIRGINIA: -- More than one-half of one per centum.
WASHINGTON: -- One-half of one per centum.
WEST VIRGINIA: -- One-half of one per centum.
WISCONSIN: -- One-half of one per centum, unless and until changed by Congress.
WYOMING: -- More than one per centum.

5. Liability to this tax will also be incurred in the following named states on account of the manufacture of stills or worms to be used in distilling for the production of spirits for beverage purposes containing alcohol by volume in the amounts hereinafter specified.

ALABAMA: -- One-half of one per centum.
FLORIDA: -- More than one-half of one per centum.
OHIO: -- More than one-half of one per centum.
TEXAS: -- More than one per centum.

6. Liability to this tax will also be incurred within the limits of par. 4, supra, if a medicinal preparation is sold for beverage purposes.

7. This tax should not be confused with the liability incurred for violation of the National Prohibition Act. The tax imposed by section 1001 is in addition to all other taxes and penalties, and in accordance with the above instructions the tax should, in every case, be promptly assessed and collected.

8. Field officers should endeavor to familiarize themselves with the law and decisions in the locality in which they are operating, especially in local option states, in order to avoid confusion and embarrassment in the administration of this taxing provision.

NOTE: In states where certain classes of beverages are prohibited per se without reference to their intoxicating qualities, and in states where beverages containing any alcohol are prohibited, the government standard of one-half of one per centum has been adopted for the purposes of this tax.

WM. M. WILLIAMS,
Commissioner.
TO SUPERVISING FEDERAL PROHIBITION AGENTS AND OTHERS CONCERNED:

It has come to the attention of this Office that Prohibition Agents have, in certain cases, retained personal possession of automobiles seized by them because of violations of the National Prohibition Act or Internal Revenue laws, for indefinite periods. Such practice is forbidden. Retaining possession of seized vehicles longer than is reasonably necessary, besides furnishing ground for dismissal from the service, may subject officers to liability to legal damages.

An Internal Revenue or Prohibition Officer must, upon seizing an automobile or other vehicle, notify his superior immediately. His report should show the approximate value, the provisions of law which have been violated, and the character of the violation. Pending action by such superior, the officer making the seizure will make such provision for safe-keeping of the property as is appropriate and practicable under the circumstances, such, for instance, as placing it in a public garage and taking a written acknowledgment of its receipt from the proprietor or the person in charge thereof. Any necessary and reasonable expenses for such purpose may be incurred.

Seized property should be disposed of as soon as practicable in order that the expense for safe-keeping may be reduced to a minimum. If the Internal Revenue laws are applicable, and the property does not exceed $500 in value; it should be proceeded against under the provisions of Section 3466, R.S., without institution of legal proceedings, unless a bond for costs is given, as provided by the said Section. The giving of such bond does not warrant release of the property. Its effect is merely to prevent the disposition of the property without the institution of legal proceedings. If the officer actually seizing the vehicle is not commissioned as a deputy collector, and it is intended to dispose of it under the Internal Revenue laws, the seizure should be adopted and the sale made by an officer who is so commissioned. With respect to the method of procedure under Section 3460, R.S., see Article 195 of Regulations 2, Revised July 5, 1916.

As to payment of expenses incurred under the Internal Revenue laws, see Article 194. When the National Prohibition Act is invoked, the expenses are payable from the proceeds of sale by the officer of the court making the sale. In case proceedings under the Prohibition Act do not result in a sale or the proceeds are insufficient to cover the costs, the expenses incurred prior to the turning over of the property to the marshal will be payable from the appropriation, "Enforcement of the National Prohibition Act, Internal Revenue."

The proceeds of sale under the Internal Revenue laws will be turned over to the collector to be deposited as an internal revenue collection. The collector will furnish the officer from whom the money is received with a receipt in duplicate on Form 2, one copy of which will be transmitted to the Supervising Federal Prohibition Agent.
If the value of property to which the Internal Revenue laws are applicable exceeds $500, or a bond for costs is given, if the Internal Revenue laws are not applicable, or if for any other reason it is desirable to proceed under the National Prohibition Act, report should be made to the U.S. Attorney and the property turned over to the U.S. Marshal as soon as practicable, unless such property is released under bond as provided in Pro. Mim. 133. A receipt should be taken from the Marshal.

The appropriation for the enforcement of the National Prohibition Act is not available for the purchase of passenger-carrying automobiles and no bid in behalf of the Bureau of Internal Revenue should be offered at the sale of such forfeited property. Neither should any officer of the Internal Revenue service make any bid in his own behalf or in that of any other officer of the Internal Revenue service, or of any other person.

Seized vehicles must not be used either for private or public purposes. No claim for compensation on account of expense incurred through such improper use of seized vehicles will be allowed.

JOHN F. KRAMER,
Prohibition Commissioner.

Approved:
WM. M. WILLIAMS,
Commissioner of Internal Revenue.
TREASURY DEPARTMENT
BUREAU OF INTERNAL REVENUE
Office of Federal Prohibition Commissioner
Washington, D.C.

Pro. Mm. 136
October 21, 1920.

Disposal of Seized Property under Internal Revenue Laws and National Prohibition Act, and Payment of Expenses Incident Thereto.

TO SUPERVISING FEDERAL PROHIBITION AGENTS AND OTHERS CONCERNED:

It has come to the attention of this Office that Prohibition Agents have, in certain cases, retained personal possession of automobiles seized by them because of violations of the National Prohibition Act or Internal Revenue laws, for indefinite periods. Such practice is forbidden. Retaining possession of seized vehicles longer than is reasonably necessary, besides furnishing ground for dismissal from the service, may subject officers to liability to legal damages.

An Internal Revenue or Prohibition Officer must, upon seizing an automobile or other vehicle, notify his superior immediately. His report should show the approximate value, the provisions of law which have been violated, and the character of the violation. Pending action by such superior, the officer making the seizure will make such provision for safe-keeping of the property as is appropriate and practicable under the circumstances, such, for instance, as placing it in a public garage and taking a written acknowledgment of its receipt from the proprietor or the person in charge thereof. Any necessary and reasonable expenses for such purpose may be incurred.

Seized property should be disposed of as soon as practicable in order that the expense for safe-keeping may be reduced to a minimum. If the Internal Revenue laws are applicable, and the property does not exceed $500 in value; it should be proceeded against under the provisions of Section 3460, R.S., without institution of legal proceedings, unless a bond for costs is given, as provided by the said Section. The giving of such bond does not warrant release of the property. Its effect is merely to prevent the disposition of the property without the institution of legal proceedings. If the officer actually seizing the vehicle is not commissioned as a deputy collector, and it is intended to dispose of it under the Internal Revenue laws, the seizure should be adopted and the sale made by an officer who is so commissioned. With respect to the method of procedure under Section 3460, R.S., see Article 195 of Regulations 2, Revised July 5, 1916.

As to payment of expenses incurred under the Internal Revenue laws, see Article 194. When the National Prohibition Act is invoked, the expenses are payable from the proceeds of sale by the officer of the court making the sale. In case proceedings under the Prohibition Act do not result in a sale or the proceeds are insufficient to cover the costs, the expenses incurred prior to the turning of the property over to the marshal will be payable from the appropriation, "Enforcement of the National Prohibition Act, Internal Revenue."

The proceeds of sale under the Internal Revenue laws will be turned over to the collector to be deposited as an internal revenue collection. The collector will furnish the officer from whom the money is received with a receipt in duplicate on Form 1, one copy of which will be transmitted to the Supervising Federal Prohibition Agent.
If the value of property to which the Internal Revenue laws are applicable exceeds $500, or a bond for costs is given, if the Internal Revenue laws are not applicable, or if for any other reason it is desirable to proceed under the National Prohibition Act, report should be made to the U.S. Attorney and the property turned over to the U.S. Marshal as soon as practicable, unless such property is released under bond as provided in Pro. Min. 133. A receipt should be taken from the Marshall.

The appropriation for the enforcement of the National Prohibition Act is not available for the purchase of passenger-carrying automobiles and no bid in behalf of the Bureau of Internal Revenue should be offered at the sale of such forfeited property. Neither should any officer of the Internal Revenue service make any bid in his own behalf or in that of any other officer of the Internal Revenue service, or of any other person.

Seized vehicles must not be used either for private or public purposes. No claim for compensation on account of expense incurred through such improper use of seized vehicles will be allowed.

JOHN F. ERAMER,
Prohibition Commissioner.

Approved:
WM. M. WILLIAMS,
Commissioner of Internal Revenue.
Creation in Prohibition Unit of Permit Division and Industrial Alcohol and Chemical Division.

TO FEDERAL PROHIBITION AGENTS, FEDERAL PROHIBITION DIRECTORS AND COLLECTORS OF INTERNAL REVENUE.

Effective October 15, 1920, the Division of Technology of the Prohibition Unit was subdivided into two divisions known as the "Permit Division" and "Industrial Alcohol and Chemical Division."

The symbol for the Permit Division will be "Pro.-Permit". The work to be administered by this Division is as follows:

1. Examine and pass upon all applications for the manufacture of alcoholic products under Section 4, Title II (except denatured alcohol).
2. Determine all non-beverage uses of intoxicating liquor, and limitation of such uses.
3. Fix standards for articles manufactured under Section 4, Title II.
4. Investigate permit holders as to products manufactured; call for samples and other information.
5. Issue permits under Title II.
6. Examine and handle bonds under Title II.
7. Conduct trade investigations to determine whether products are bona fides and whether permitted articles are manufactured in accordance with approved formulas.
8. Maintain central file of permits and bonds under Title II.
9. The general administration of the features of Title II relating to permits and bonds.

The symbol of the Industrial Alcohol and Chemical Division will be "Pro.-I.A & C.". The work to be administered by this Division is as follows:

1. Supervise the construction and operation of industrial alcohol and denaturing plants, and control the work of the plant officers.
2. Develop uses of denatured alcohol by laboratory work and research.
3. Laboratory examination of samples submitted under Section 4, Title II, and report results.
Pro. Mm. 2617

Examine alcoholic samples obtained in policing work, and report the results of analyses to field officers, Legal Division, and Permit Division.
Examine samples obtained under the Harrison Narcotic Act, and report results to field officers and Legal Division.
Examine samples of oleomargarine, butter, mixed flour, etc., and report facts to the Sales Tax Unit.
Examine denatured alcohol samples.

4. Administration of tax free alcohol.

5. General administration of all the features embraced in Title III of the National Prohibition Act.

6. Assign storekeepers and storekeeper-gaugers, and handle the residue of old distillery work.

D. S. BLISS,
Acting Prohibition Commissioner.

Approved:
WM.M. WILLIAMS,
Commissioner of Internal Revenue.
Employees engaged in instructing Civil Service applicants.

COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE,
FEDERAL PROHIBITION DIRECTORS, and
SUPERVISING FEDERAL PROHIBITION AGENTS.

Several months ago there was sent you a copy of the attached letter from the Chief of the Division of Appointments, Treasury Department, relating to the Executive Order of October 13, 1905.

In order that there may be no confusion in interpreting this Executive Order I desire to state that it relates to those cases where Government employees are now engaged in teaching in any institution and where approval has not already been obtained.

Accordingly it will be necessary that any employee of this Bureau who is now or expects to be engaged in instructing any person or classes of persons with a view to their special preparation for the examinations of the United States Civil Service Commission, shall communicate such fact to me at once in order that the matter may be referred to the Civil Service Commission for its approval.

Please acknowledge the date of receipt of this letter by return mail.

WM. M. WILLIAMS,
Commissioner.
To Principal Officers in Charge,
Treasury Department,

Gentlemen:

By direction of the Secretary, you are requested to bring to the attention of all employees under your supervision the following executive order issued on January 13, 1920:

"The Executive Order of October 13, 1905, as amended on May 17, 1919, is hereby amended to read as follows:

No officer or employee of the Government shall, directly or indirectly, instruct or be concerned in any manner in the instruction of any person or classes of persons, with a view to their special preparation for the examinations of the United States Civil Service Commission. The fact that any officer or employee is found so engaged shall be considered sufficient cause for his removal from the service; Provided, that this order shall not be so construed as to prevent the Federal Board for Vocational Education, the Medical Departments of the Army and Navy, and any other branches of the Government from utilizing the Government facilities and the services of Federal officers and employees where such facilities or services may be necessary or useful in carrying out the duties imposed upon such departments or branches by law, in the training and testing of disabled soldiers, sailors, and marines.

As amended the order extends to Government establishments generally the exemption heretofore made in the case of the Federal Board for Vocational Education."

(Signed) WOODROW WILSON.

Respectfully,

J. E. HARPER,

Chief, Division of Appointments.
TO FEDERAL PROHIBITION DIRECTORS:

Regulations 60 provide that each Director keep on Form 141, alphabetically arranged, a current card index of all permittees located in the State, covering all permits issued by the Commissioner or by him, except permits to purchase, a separate file to be kept for each class of permits, and that this file be open to the public for inspection at any reasonable hour.

The intention of this provision is to permit any person interested to inspect the lists during business hours and not to permit these lists to be copied for propaganda or other purposes; therefore, it will not be proper for any clerk or other employee connected with the office of the Director to prepare a list of such permittees to be sold or given to individuals, firms, or corporations, nor will outside agencies or individuals be permitted to enter Directors' offices during office hours or at any other time to copy these lists, nor will copies be made by any employees for any purpose except at the direction of the Director, for official purposes.

Please furnish each employee within your jurisdiction with a copy of this mimeograph letter.

Kindly acknowledge receipt of this mimeograph by return mail.

JOHN F. KRAMER,
Prohibition Commissioner.

APPROVED: November 4, 1920.

WM. M. WILLIAMS,
Commissioner.
Form 63: Instructions relative to reporting retirement fund deductions thereon.

TO COLLECTORS OF INTERNAL REVENUE,
INTERNAL REVENUE AGENTS IN CHARGE,
SUPERVISING FEDERAL PROHIBITION AGENTS,
FEDERAL PROHIBITION DIRECTORS:

In scheduling on Form 63 the vouchers of employees entitled to the benefits of the Retirement Act, approved May 22, 1920 (41 Stat., 614), the amount of salary actually paid should be entered in column 5, 6, 7 or 8, and the amount of the retirement deduction in column 13 for memorandum purposes only, as the latter amount under no circumstances would be included in the "Total" in column 4. On the sheets of Form 63 containing retirement deduction entries, the caption of column 13 should be changed to read "Retirement Deductions".

WM. M. WILLIAMS,
Commissioner.
TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS
IN CHARGE, FEDERAL PROHIBITION DIRECTORS, AND SUPER-
VISING FEDERAL PROHIBITION AGENTS:

Paragraph 22 of the Travel Regulations (Ac-Mim. 2177) as
amended by Ac-Mim. 2401, is further amended to read as follows:

"22. In connection with the departure of an
officer or an employee from his post of duty on
official business and his return thereto, such officer
or employee will not be allowed reimbursement for
breakfast procured away from his designated post of
duty on any day if he arrives at his post of duty
before 7 a. m. or departs therefrom after 8 a. m., nor
for a midday meal if he arrives at his post of duty
before 12 noon or departs therefrom after 1 p. m., nor
for an evening meal if he arrives at his post of duty
before 6 p. m. or departs therefrom after 7 p. m."

WM. M. WILLIAMS,
Commissioner.

APPROVED: November 8, 1920.

Jouett B. Hough
Assistant Secretary of the Treasury.
Suits Against Officers. Copies of Court Opinions.

TO COLLECTORS OF INTERNAL REVENUE, SUPERVISING FEDERAL PROHIBITION AGENTS, FEDERAL PROHIBITION DIRECTORS AND OTHERS CONCERNED:

When any suit or court proceeding is instituted against any Collector, Supervising Federal Prohibition Agent, Federal Prohibition Director, Agent, Inspector, or other employee, arising out of acts performed in the discharge of official duty in enforcing the National Prohibition Act or any internal revenue law relating to intoxicating liquors or narcotics, prompt notice of the institution of such proceedings should be given this office. The United States Attorney should also be informed in order that he may take such action as may be proper and, when necessary, obtain authorization to conduct the defense.

Copy of the indictment or information in criminal prosecutions, or of the complaint, petition, or other pleadings in civil suits, shall be promptly forwarded to this office. This office should be kept fully advised of each stage of the proceedings and furnished with all information available to make possible effective assistance and cooperation.

Owing to the great importance of cases of the character mentioned above, the failure of Prohibition Officers to give timely notice to this office regarding each stage of such proceedings will be regarded as a serious infraction of these instructions.

The early receipt by this office of copies of opinions handed down by the courts in all cases involving the construction of the National Prohibition Act and the internal revenue laws relating to intoxicating liquors and narcotics is necessary to the proper administration of the laws involved. Accordingly, each Supervising Federal Prohibition Agent is hereby instructed to make arrangements with the several United States Attorneys in his Department whereby a copy of each such opinion may be secured and forwarded without delay to this office, either directly by the United States Attorney or through the Supervising Federal Prohibition Agent.

All communications referring to the above matters should be addressed to the Prohibition Commissioner, Washington, D.C., and marked "Personal attention of Counsel".

These instructions should be given personal consideration by the officer in charge of the office addressed, and receipt thereof be promptly acknowledged by him.

Approved: November 15, 1920.

JOHN F. KIRBY,
Prohibition Commissioner.

WM. M. WILLIAMS,
Commissioner of Internal Revenue.
TELEGRAPH DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

November 19, 1930.

As-Micrograph
Cell. No. 2645
N. A. No. 104
Pre. No. 145

Time and Leave Regulations - Field Forces.

COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS:

Referring to Paragraph 5 of As-Mi, Cell. No. 2378, N. A. No. 126, Pre. No. 12, field officers are requested to submit their monthly reports of leave of absence on Form 2243, 2243-A, or 2243-B, as the case may be, to the Supervisor of Accounts, in an envelope addressed to "Supervisor of Accounts, Internal Revenue Bureau, Treasury Department, Washington, D.C."

It is further requested that each Collector, Internal Revenue Agent in Charge, Federal Prohibition Director, and Supervising Federal Prohibition Agent designate a clerk whose duty it shall be to keep the time and leave records in his office and prepare the reports to be submitted to Washington which are required by the time and leave regulations. The work should be so arranged that the leave taken as shown by salary and expense vouchers, such as Forms 376 and 632, can be checked with the time and leave records prior to sending in the monthly reports required by the leave regulations.

Attention is also invited to Paragraphs 21 and 22 of the regulations, limiting the amount of sick leave granted in a calendar year to 10 days, except under conditions stated therein. Collectors, Internal Revenue Agents, Federal Prohibition Directors and Supervising Federal Prohibition Agents are requested to submit with each voucher reporting sick leave of absence taken in excess of 10 days in a calendar year a signed statement in explanation of the extension of sick leave, whether because of absence from preceding years as authorized by Paragraph 21 or because the case is unusual and meritorious as authorized by Paragraph 22. Where sick leave is granted in excess of 10 days in a calendar year because the case is unusual and meritorious, the reasons why the case is so regarded should be given in the statement. Failure to submit such statement may cause the amount of pay involved to be disapproved.

WM. M. WILLIAMS,
Commissioner.
TREATY DEPARTMENT
Office of Commissioner of Internal Revenue
Washington, D.C.

November 19, 1920.

Ac-Mimeograph
Coll. No. 2645
R. A. No. 144
Proc. No. 145

Time and Leave Regulations - Field Forces.

COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN CHARGE, FEDERAL PROHIBITION DIRECTORS AND SUPERVISING FEDERAL PROHIBITION AGENTS:

Referring to Paragraph 8 of Ac-Min. Coll. No. 2578, R. A.No. 128, Proc. No. 122, field officers are requested to submit their monthly reports of leave of absence on Form 2243, 2243-A, or 2243-B, as the case may be, to the Supervisor of Accounts, in an envelope addressed to "Supervisor of Accounts, Internal Revenue Bureau, Treasury Department, Washington, D. C."

It is further requested that each Collector, Internal Revenue Agent in Charge, Federal Prohibition Director, and Supervising Federal Prohibition Agent designate a clerk whose duty it shall be to keep the time and leave records in his office and prepare the reports to be submitted to Washington which are required by the time and leave regulations. The work should be so arranged that the leave taken as shown by salary and expense vouchers, such as Forms 376 and 638, can be checked with the time and leave records prior to sending in the monthly reports required by the leave regulations.

Attention is also invited to Paragraphs 21 and 22 of the regulations, limiting the amount of sick leave granted in a calendar year to 10 days, except under conditions stated therein. Collectors, Internal Revenue Agents, Federal Prohibition Directors and Supervising Federal Prohibition Agents are requested to submit with each voucher reporting sick leave of absence taken in excess of 10 days in a calendar year a signed statement in explanation of the extension of sick leave, whether because of accrual from preceding years as authorized by Paragraph 21 or because the case is unusual and meritorious as authorized by Paragraph 22. Where sick leave is granted in excess of 10 days in a calendar year because the case is unusual and meritorious, the reasons why the case is so regarded should be given in the statement. Failure to submit such statement may cause the amount of pay involved to be disapproved.

WM. M. WILLIAMS,
Commissioner.
TREASURY DEPARTMENT  
Office of Commissioner of Internal Revenue  
Washington, D.C.  

November 23, 1920.

Pro-Monograph  
Pro. No. 146  
Coll.No. 2647

PROCEDURE TO BE FOLLOWED IN REFERENCE TO REPORTS RELATIVE TO THE ASSESSMENT AND COLLECTION OF SPECIAL TAX IMPOSED BY THE HARRISON NARCOTIC LAW, AS AMENDED.

TO SUPERVISING FEDERAL PROHIBITION AGENTS, COLLECTORS OF INTERNAL REVENUE, AND OTHERS CONCERNED:

The following instructions regarding the handling of violations of the Harrison Narcotic Law, as amended, on account of failure to pay special tax within the time required are issued for the guidance of Collectors of Internal Revenue and Supervising Federal Prohibition Agents.

Where no charge is contained in the report other than a violation of Section 1, for failure to register on time, the case is apparently one which may satisfactorily be handled in the Collector's office, regardless of whether the original report is made by the Collector or by the Supervising Federal Prohibition Agent. Therefore all correspondence from this office in regard to these cases will be addressed to the Collector.

Previous instructions contrary to the above are hereby revoked.

WM. H. WILLIAMS,  
Commissioner.
TO SUPERVISING FEDERAL PROHIBITION AGENTS AND
FEDERAL PROHIBITION DIRECTORS:

Your special attention is invited to Form 1494 (Daily Report of Federal
Prohibition Agents and Inspectors), a supply of which, estimated as sufficient
to answer the immediate needs of the Agents and Inspectors working under your
office, has recently been sent you.

This form of daily report is to be filled out at the end of each working
day by every agent and inspector attached to your office and is to be mailed or
delivered to you at the close of such day or as soon thereafter as is practicable.
You should have a file containing a folder for each agent or inspector, such
folders to be arranged alphabetically, and all the daily reports on Form 1494 re-
ceived in your office from any agent or inspector are to be filed chronologically
in the folder bearing his name. It is very desirable that all agents and inspectors
execute and forward such daily reports promptly and that they be properly
filed in your office, and it is expected that you will see that such practice is
strictly followed.

The report on Form 1494 is intended as an accurate recital of the daily
duties performed by each agent or inspector, and the figures to be inserted in
the last two columns of the form should show the exact time devoted to various
duties in a single day and the total time employed during such day. In the space
headed "City or Town" the agent or inspector should insert the name of the city
or town in which the duties listed opposite such name were performed. In cases
where an agent or inspector spends a portion of the day in travel he should make
notation to such effect in the second and third columns of the form, listing in
the first space opposite such entry the name of the city or town from which he
started, and indicate in the last two columns the time consumed in traveling.
Where an agent or inspector devotes a day or a portion thereof to office work he
should so indicate and insert the nature of the work engaged on. Where inspec-
tions or investigations are conducted the names and addresses of the premises
visited are to be set forth in the second column and the results of the inspec-
tion or investigation detailed in the third column. In such case the informa-
tion inserted in the third column should indicate if violations were reported or
arrests made; if any property was seized (giving the value thereof); and, if
taxes were reported for assessment, the amount thereof.

The space at the bottom of the form under the heading "Expenses" should show
the amounts spent for breakfast, dinner, supper and lodging during the day, in
the respective spaces allotted therefor, and should also show any other expenses
insured during the day, together with a proper description thereof. It is ex-
pected that this information will serve as a check on vouchers on Form 634 filed
at the end of each month.

In any case where the space on Form 1494 is not sufficient to cover an
agent's or inspector's activities during the day, additional sheets should be
used.

It is requested that you acknowledge receipt of this letter.

Approved: December 8, 1920.

JOHN F. BRAHMER,
Commissioner of Internal Revenue.
Lists of Names of Permittees.

FEDERAL PROHIBITION DIRECTORS,
COLLECTORS OF INTERNAL REVENUE.

Federal Prohibition Directors will furnish proper Collectors of Internal Revenue with the names and addresses of all persons, firms or corporations to whom permits for sale in either wholesale or retail quantities are issued. This information will be furnished in each instance immediately upon receipt of the duplicate permit from the Bureau.

Collectors of Internal Revenue will furnish promptly to the proper Federal Prohibition Directors the names and addresses of all persons, firms or corporations to whom Special Tax Stamps are wholesale or retail liquor dealers are issued.

WM. M. WILLIAMS,
Commissioner.
TO COLLECTORS OF INTERNAL REVENUE, INTERNAL REVENUE AGENTS IN
CHARGE, SUPERVISING FEDERAL PROHIBITION AGENTS, FEDERAL
PROHIBITION DIRECTORS, AND OTHERS CONCERNED:

So much difficulty has arisen, in connection with securing
recommendations prepared in conformity with Ac-Mime. Coll. No. 2593,
R. A. No. 130 and Pro. No. 125, that your attention is invited to
the following:

(1) Some supervisory officers of the internal revenue field
service are recommending on Forms 7384, dated the same day on which
a new employee enters the service, that he be certified for the in-
creased compensation. Ordinarily, it would seem that the ability
and qualifications personal to the employee could not then be de-
determined and that some few days must elapse after the new employee's
entrance upon duty before decision could be reached in regard to his
qualifications.

Where recommendation is made several days after the new em-
ployee enters upon duty and such time is not later than thirty days,
the effective date for the increased compensation may be fixed as of
the date the new employee entered upon duty. Where recommendation
for the increased compensation is made on the same day the new em-
ployee enters upon duty, an explanation should accompany the recom-
mendation, giving the reasons why the recommendation is made as of
that date.

(2) The date on which you recommend that the increased compen-
sation becomes effective for an employee must not be retroactive for
a period greater than 30 days from the date on which you submit your
recommendation, unless in very exceptional cases which must be fully
explained.

(3) An employee transferred from the Bureau or some other De-
partment of the Government should be recommended for certification un-
der the same procedure as other employees who enter the field service.

WM. M. WILLIAMS,
Commissioner.
To Supervising Federal Prohibition Agents and Others Concerned:

Large quantities of property, especially liquor, seized because of violations of the Internal Revenue or Prohibition Laws, are on hand under the supervision of this Bureau. This accumulated property should be disposed of without unnecessary delay.

Internal Revenue Laws.

When Section 3460 R.S. is applicable the seizure should be advertised in accordance with the procedure outlined in the second subdivision of that Section. In view of the prohibition against advertising liquor for sale contained in Section 17 of Title II of the National Prohibition Act, liquor can not now be disposed of by public sale in the manner provided by the fourth subdivision of Section 3460 R.S., but may be disposed of by private sale in the manner indicated below.

When liquor of a value exceeding $500 is subject to forfeiture under the Internal Revenue Laws, it should be turned over to the marshal, and the United States Attorney requested to institute libel proceedings under these laws as soon as practicable.

National Prohibition Act.

In cases in which no criminal proceedings are pending and there is no proof of ownership, seized liquor, such as moonshine, adulterated and low-proof liquor, having no commercial value, should be destroyed under the direction of the Supervising Federal Prohibition Agent in the presence of three specially designated officers. A report to the Prohibition Commissioner should be made by the Supervising Federal Prohibition Agent furnishing the same information as is required to be included in the inventory to be submitted to United States Attorney in accordance with the directions below.

Liquor seized under the National Prohibition Act in cases in which criminal proceedings have been instituted and concluded, or in which criminal proceedings are not pending and are not to be instituted, should be disposed of in the following manner: An inventory should be prepared in duplicate listing therein with respect to each lot seized, separately (a) the quantity, amount and approximate value, (b) the date of seizure, (c) the name of the person, if any, from whose possession the liquor was seized, (d) the docket number, and dates of trial and sentence, if any, (e) the expenses incurred. The United States Attorney should be supplied with information concerning the availability of the liquor for use by governmental agencies, hospitals, sanitoria, etc., or of the purchase by duly authorized permit-holders, in order that he may, in turn, furnish such information to the Court. The United States Attorney should be requested to apply to the court for an order condemning the liquor and authorizing its disposition in accordance with the provisions of Section 27 of Title II of the National Prohibition Act.
Similar inventories should be prepared covering each class of other property seized under Title II of the National Prohibition Act, such as vehicles, suit cases, stills, etc., a copy of each inventory being furnished to the United States Attorney as is provided above in the case of liquor.

Disposition of Liquor After Condemnation.

When liquor has been forfeited to the Government, either by proceedings under Section 3460 R.S., or by libel proceedings instituted under the internal revenue laws, or if it is condemned by court proceedings or order under the National Prohibition Act and turned over by the court to the Treasury Department or any agency or officer thereof for sale, it should, except in customs cases, be taken in charge by the Supervising Federal Prohibition Agent of the district, who shall proceed to dispose of it by private sale in the following manner, unless otherwise directed by the court: A list of the available liquor shall be prepared and sufficient copies made thereof for distribution by mail, or other suitable means, to such persons or institutions as are qualified to purchase liquor, and from whom there is reason to expect suitable bids to purchase the property may be received, advising such persons, institutions, etc., that the liquor is for sale for nonbeverage purposes, and inviting bids thereof to be submitted not later than thirty (30) days from the date of the notice. The Supervising Federal Prohibition Agent, upon expiration of the thirty-day period, should make sale of the property to the highest bidder. The proceeds of all sales of liquor disposed of under the Internal Revenue laws should be transmitted to the Collector, who should deposit the same as Internal Revenue Receipts. Proceeds of sales of liquor disposed of under the Prohibition Act should be deposited in accordance with the order of the court authorizing disposition of the property. Entries covering liquor so disposed of should be included in reports on Forms 1426.

JOHN F. KRAMER,
Prohibition Commissioner.

APPROVED:

PAUL F. MYERS,
Acting Commissioner.
Seizures and Sale — Vouchers covering expenses incident to seizure; monthly report of sales of personal property on Form 210; endorsement of gross proceeds on duplicate certificates of deposit, etc.

TO COLLECTORS OF INTERNAL REVENUE, SUPERVISING FEDERAL PROHIBITION AGENTS, AND OTHERS CONCERNED:

Vouchers covering expenses incident to seizure which are to be paid from internal-revenue appropriations, should be submitted on Form 618, excepting bills for advertising in newspapers, which should be submitted on Form 153 supported by letter of authority to publish (Form 640), and after payment, should be scheduled on Form 65 for the month in which the payment is made. Vouchers should show the name of the party from whom the personal property is seized, if known, also the date of seizure, and in all cases should be rendered monthly. It is most important that storage charges and all other expenses incident to seizure of personal property be billed each month so that the office may know that liabilities are being incurred from month to month. Allowance number showing authorization for the disbursement should be noted on the schedule as is done in other cases of expenditures.

Where payment is made in cash by a field officer who asks reimbursement on Form 618 for the amount expended by him, receipt on Form 619 should be filed with Form 618, and such Form 619 should be signed by the person to whom the officer made the cash payment.

FORM 612.

This form should be used whenever the Collector reports sales of personal property either under Section 3460, Revised Statutes, or under distraint warrant. The statute or section of the Revised Statutes under which distraint or sale of personal property belonging to the Government is made should be stated. This is a monthly report and must be forwarded to this office within ten days after the close of the month to which it relates whenever there is any transaction to report.

Under the head of "Remarks" an itemized statement of expenses should be made, the total agreeing with that reported in column headed "Expenses".

A freight charge on seized property while paid by direct settlement is a charge against the proceeds of sale. In reporting expenses on Form 210, the freight charges should be included therein.

The gross receipts from all seizures and distraint sales involving internal-revenue laws should be deposited by Collectors of Internal Revenue as internal-revenue collections. Duplicate of certificates of deposit which contain collections made on account of seizure and distraint sales should have noted on the back thereof the amounts of collection in each case, and the name of the parties whose property was seized or distrained upon. If the parties are unknown, it should be so stated.
Expenses incurred by Collectors incident to seizure and distraint cases, involving only internal-revenue laws shall be paid from the appropriation "Salaries and Expenses of Collectors of Internal Revenue." However, Collectors of Internal Revenue should make no payments from this appropriation for expenses which were incurred after the property was turned over to the Department of Justice, since such expenses are payable from appropriations under the control of the Attorney General.

PAUL F. MYZERS,
Acting Commissioner.
Instructions relative to Use by Federal Prohibition
Directors of Account Card, Form 1502.

TO FEDERAL PROHIBITION DIRECTORS:

In order that a closer supervision may be maintained of purchases of intoxicating liquors by permittees, a card, Form 1502, has been prepared and will soon be ready for distribution. The initial supply of these cards will be furnished Directors without requisition. Upon receipt of these cards, the Director will cause to be prepared a card for each permittee entitled to procure intoxicating liquor in his State. Blank spaces in the heading of the cards will be filled with appropriate data obtained from the copy of the permit, Form 1405, filed in the Director's office. Care must be exercised in entering the name of the legal owner of the business and not the trade name under which it is conducted.

Through an oversight in the preparation of the copy for the printer no blank space was provided for the name of the person or persons, if any, who have been authorized to sign for the permittee. Directors will enter such name or names in some convenient place in the heading. Evidence of authority to sign for the applicant must be filed with the Director, except in the case of a corporation, when signed by an officer and the corporate seal is affixed, or when signed by a member of a firm in the case of a copartnership; or when the applicant is an individual and affixes his own signature.

In beginning the account there will be shown on the first line the quantity of intoxicating liquor on hand on January 1, 1921, or the first day of the quarterly period. Until Form 1410 Revised is placed in use this information may be taken from Form 1421 for the month closing the preceding quarter. In column 1 will be entered the date of the beginning of the quarter, in columns 2 and 3 the words "on hand", in columns 8 and 9 the quantity on hand at the beginning of the quarter as shown by the entries opposite that designation in the first application for permit to purchase, Form 1410, Revised, filed during that quarter by the permittee.

Before issuing permit to purchase the quantity already received, plus quantities covered by permits to purchase issued but not returned by the vendor, should be considered.

As each permit to purchase is issued and forwarded to the vendor there will be entered on the card in column 1, the date of the issuance of permit to purchase; in column 2 the serial number of the permit to purchase; in column 3 the kind of liquor; in column 4 or 5 the quantity approved; in column 10 the name of the vendor from whom the liquor in question is to be procured. In columns 6, 7 & 8 quantities of distilled spirits only will be entered and in column 9, 7 & 8 liquors other than distilled spirits will be entered. (Note—Until Form 1410A are provided, column 2 will be left blank.)

When the Director's copy of the permit to purchase is returned by the vendor with his certificate of delivery, the quantity of liquor delivered as shown on his certificate of delivery, the quantity of liquor delivered as shown on the vendor will be entered in column 6 or 7; this amount will be added
to the amount shown in the last preceding entry in column 8 or 9 and the total so determined will be entered in column 8 or 9, unless a prior permit to purchase has not been returned by the vendor. At the same time the date of delivery or shipment, as shown by the vendor, will be entered in column 10 to the right of the vendor's name.

Care will be exercised to avoid issuing permits to purchase when the quantity applied for, plus total quantity last shown in column 8 or 9, plus quantity covered by permits not returned by vendor, does not exceed the quantity covered by the bond, or the quantity allowed as shown in heading of the card.

When the first application for permit to purchase for a new quarter is received a line will be drawn under the last entry on the card and the account started as before. The quantities of liquor covered by permits to purchase which permits were not returned by vendors during the quarter in which issued will be also brought down as a charge in the new quarter. See sample of card attached. The Director should occasionally verify the quantities shown on the application by comparison with the quantity shown on Form 1421, to be on hand on the last day of the month of the closing quarter.

When the first application for permit to purchase has been issued a metal signal will be attached to the card Form 1502, using a blue signal for a 30 day permit and a yellow signal for a 90 day permit. At the close of each month the Director will examine all cards bearing blue or yellow signals to ascertain whether or not all permits sent vendors have been returned during the life of the permit. Constant care will be exercised by the Director to see that every permit to purchase is returned by the vendor not later than the day succeeding the day after shipment of the liquor covered, or, if the vendor is unable to make delivery during the life of the permit, that the original and all copies thereof are promptly returned by the vendor to the Director as soon as such disability to ship is ascertained and in all cases directly after the permit expires.

If the permittee fails to forward monthly return, or if revocation proceedings have been begun, or the maximum quantity for the quarter has been reached, or if for any reason caution should be observed in approving permit to purchase, a red signal should be attached to the card as a "caution notice," which signal will be removed when the disability is removed. These signals will be furnished Directors without requisition. When a card has been filled an additional card should be prepared and marked "continuation" and all data appearing on the heading of the original card will be entered in the heading of the continuation card. Completed cards will be removed to a closed file and kept in numerical order.

In the following cases the account will be kept for the calendar year instead of quarterly as above directed:

1. Alcohol and alcoholic preparations procured by homoeopathic and eclectic physicians.

2. Alcohol procured for use in practice by dentists and veterinarians.

3. Intoxicating liquor, including alcohol procured by physicians to be administered to their patients or to be used in the course of their professional practice.

4. Wines procured by rabbis, ministers of the gospel, priests or duly authorized church officials, for sacramental purposes or like religious rites.
Care should be exercised in the first three classes above mentioned where the regulations prescribe the quantity that may be obtained during the calendar year, that permits to purchase excessive quantities are not approved or issued, especially where the applicant does not qualify for the whole year, for example: A - a dentist, obtains a permit in January and is entitled to six quarts of alcohol during the calendar year ending December 31, B - also a dentist, obtains a permit in July and would be entitled to three quarts or six-twelfths of the annual allowance.

When wine is received for sacramental purposes or like religious rites by rabbis, ministers of the gospel, priests, or duly authorized church officials of a church which has a hierarchal form of organization, entry should be made on the card at the time permit to purchase is received by the Director from the vendor showing the quantity of wines actually shipped. In other cases, where application Form 1412 is filed with the Director for his approval, entry should be made on these cards as provided in the case of permit to purchase Form 1410 A.

Cards covering wines for sacramental purposes will be filed alphabetically by the name of the congregation, and where the names are duplicated, such cards will be further arranged alphabetically by towns. For example, St. Mary's Church, Annapolis, will be filed in front of St. Mary's Church of Baltimore. The name of the authorized agent for the congregation should appear upon the card.

All other cards, Form 1502, will be filed by classes in numerical order with reference to permit numbers (Form 1405) to which they refer.

D. S. BLISS,
Acting Prohibition Commissioner.

Approved:

PAUL F. MYERS,
Acting Commissioner of Internal Revenue.
Example of Account on Card 1502.

TREASURY DEPARTMENT
Internal Revenue Service
Form 1502.

Record of Intoxicating Liquor Authorized
to be Purchased and Shipped.

Name Smith, John and Jonas. Sam Business Pharmacist Permit No. N.Y. 12642
Address 1215 Fifth Avenue, New York, N.Y. Penal Sum of Bond $ 5000.00

Maximum quantity of distilled spirits other than alcohol allowed during ___3 months__

250 proof galls.

Maximum quantity of alcohol allowed during ___3 months__ 250 proof galls.

Maximum quantity of other liquors allowed during ___3 months__ 50 wine galls.

<table>
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<th>Date</th>
<th>Serial No.</th>
<th>Kind of</th>
<th>Quantity Authorized</th>
<th>Quantity Shipped</th>
<th>Total Quantity Delivered</th>
<th>Name of Vendor</th>
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<td>1</td>
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<td></td>
</tr>
<tr>
<td>1/2/21</td>
<td>1</td>
<td></td>
<td>50.00</td>
<td>47.15</td>
<td>75.15</td>
<td>1/10/21 James Brown</td>
</tr>
<tr>
<td>1/2/21</td>
<td>2</td>
<td></td>
<td>50.00</td>
<td></td>
<td></td>
<td>January Smith</td>
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<tr>
<td>1/10/21</td>
<td>3</td>
<td></td>
<td>100.00</td>
<td>96.25</td>
<td></td>
<td>3/30/21 James Brown</td>
</tr>
<tr>
<td>2/1/21</td>
<td>On Hand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2/6/21</td>
<td>2</td>
<td></td>
<td>50.00</td>
<td></td>
<td>63.20</td>
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</table>
DISPOSITION OF PERMITS, FORMS 737 AND 1405, RETURNED TO DIRECTORS BY PERMITTEES.

TO FEDERAL PROHIBITION DIRECTORS:

Parties to whom renewal permits are issued are not required to surrender their old permits. Where, however, a superseded permit is returned to the Director, or where a permit on Form 737 or 1405 is surrendered by a permittee for any reason, the Director will attach the permit so surrendered or returned, to the copy thereof in the files of his office. In the event a surrendered permit in any case is required by the Prohibition Commissioner, the Director will be so advised.

When a renewal permit is issued the Director will write on Card Form 1411, the word "Renewal", together with the date of approval. The card index on Form 1411 of permits in force must be kept current. Appropriate notation will be made on all cards representing permits which have been revoked, or which have expired, and such cards must be removed from the current index and placed in a separate file.

JOHN F. KRAMER,
Prohibition Commissioner.

APPROVED: December 31, 1920.

PAUL F. MYERS,
Acting Commissioner.
Pro. Mimeograph
Dec. No. 159
Coll. No. 2691

Receipt and Disposal of Monthly Narcotic Returns by Collectors.

TO COLLECTORS OF INTERNAL REVENUE, AND SUPERVISING FEDERAL PROHIBITION AGENTS:

Monthly narcotic returns rendered to Collectors for all months subsequent to December, 1920, by persons qualified as importers, manufacturers, or wholesale dealers under the act of December 17, 1914, as amended, will be subject to the following procedure:

Form 536.

Form 536 is to be used as an individual record of the receipt and disposal by the Collector of each monthly narcotic return. This form is intended to cover a period of two fiscal years, the years to be entered in the Collector's office together with the name, address, class and registry numbers of the taxpayer, and the number of the forms upon which each return is rendered. The total number of returns received, examined, sent to this office and to the Supervising Federal Prohibition Agent, and the total number of requests made for delinquent returns must be entered at the close of each fiscal year in the column provided for that purpose. These forms must be filed alphabetically and in case of discontinuance of business, a notation in red ink must be made across the face of the form indicating the date of such discontinuance. If the person is qualified in both classes 1 and 2, a separate form must be prepared for each class. Current entries must be made thereon as hereinafter provided.

Receipt of Returns.

The date of receipt of each return rendered in duplicate will be entered on Form 536 in the proper column. No return may be accepted which is not rendered in duplicate. Whenever a taxpayer fails to render a return within the fifteen days next succeeding the last day of the month for which rendered, steps should be taken immediately by the Collector to secure the delinquent return and the date of the request, whether verbal or written, must be entered on Form 536 in the proper space.

Examination of Returns.

Collectors must verify the name, address, and registry number given on page 1, Form 510 or 511, of both the original and duplicate
copies of each return by referring to Record 10 or Form 678. The
name and title of the person executing the sworn statement on page
3 of Form 810 or 811 must be verified by referring to Form 678 or
to Powers of Attorney on file, and no return may be accepted which
is not subscribed and sworn to by a person so identified. The
value of stamps received during the month as reported on line 2 of
the stamp account, Form 810, must be compared with the value of
stamps furnished to the taxpayer during the month on requisitions
made on Form 766. Both the original and duplicate copies of each
return must be examined to ascertain whether the number of inclo-
tures reported on page 1 of Form 810 or 811 is correct. A blue
pencil check must be made after each of the details above mention-
ed to indicate that the examination or verification has been made.

Disposition of Returns.

Returns examined and accepted by Collectors will be disposed
of by forwarding the original copies to this office on or before
the 25th of the month succeeding that for which rendered. Each
Collector must prepare a list in duplicate of the returns received
from taxpayers for the month supplemented by a list of the tax-
payers who have not rendered returns for such month. The original
copy of this list will be furnished to this office with a letter
of transmittal, or as a letter of transmittal, for the returns
listed therein. The duplicate copy of each return will be trans-
mitted at the same time to the Supervising Federal Prohibition
Agent for the department in which the taxpayer is located with
the duplicate copy of the list to which reference is made in the
preceding sentence. Supervising Federal Prohibition Agents will
carefully examine each of such lists to ascertain whether all re-
turns listed have been received. Any omission should be taken up
with the proper Collector immediately.

Correspondence Relative to Returns.

Hereafter when the audit of any return submitted to this of-
face reveals the necessity for additional information from the
taxpayer, the matter will be taken up directly with the registrant
and a copy of the letter issued by this office will be furnished
to the proper Collector. Replies to communications received in this
office directly from registrants will be addressed to them and a
copy of any such reply will be furnished the Collector or Super-
vising Federal Prohibition Agent whenever deemed advisable by this
office. Although this method will relieve Collectors of corre-
respondence heretofore handled by them, each Collector will be ex-
pected to be informed sufficiently to be able to handle any matter
relative to monthly narcotic returns which is covered by regulations,
decisions, mimeographs, and instructions furnished him, but no Collector or Agent will render an opinion which can not be based upon said regulations, mimeographs, decisions, or instructions. Matters requiring extraordinary opinions will be referred to this office. Discrepancies in accounts of narcotic drugs as revealed by the audit of the returns will be taken up in the discretion of this office with the Collector, the Supervising Federal Prohibition Agent, or directly with the taxpayer.

**Form 680.**

Under the authority of the provisions of section 3 of the act of December 17, 1914, as amended, Supervising Federal Prohibition Agents are hereby authorized to request any Collector to secure a statement on Form 680, when deemed advisable, from any person registered under the Act covering the narcotic drugs received in any class for any period not to exceed three months. Collectors are urged to comply promptly with all such requests and transmit statements as soon as received to the Supervising Federal Prohibition Agent.

Collectors will immediately transmit to Supervising Federal Prohibition Agents all duplicate copies of returns now in their possession with a letter of transmittal containing a complete inventory of the returns transmitted.

A supply of Form 686 will be furnished each Collector immediately upon receipt from the printer.

The provisions of this communication supersede all conflicting requirements of Pro. Min. 69, dated April 21, 1920, insofar as the same affected Collectors.

Please acknowledge immediately the receipt of this mimeograph.

PAUL F. MYERS,
Acting Commissioner.