

official shall retain the marketing card (MQ-76-C) until the producer has been paid and the FSA marketing recorder has recorded the sale on the reverse side of the MQ-76-C or the tobacco is removed from the receiving station by the producer, at which time the marketing card (MQ-76-C) shall be returned to the producer. In any case where a producer's marketing card (MQ-76-C) is found in the possession of a receiving station official, and there is no producer from the farm for which the card is issued with tobacco on the floor for sale, or with tobacco for which settlement is not yet complete, such card will be picked up by an FSA representative and returned to the producer. The receiving station official shall be responsible for the safekeeping and proper use of the marketing card during such person's retention of the marketing card.

(4) *Copy of sale bill.* The receiving station official shall furnish to the producer a copy of the tobacco sale bill for any tobacco purchased.

(5) *Lot ticket.* At the time the tobacco is weighed for marketing, the receiving station official shall record the weight of the lot of tobacco on both the tobacco sale bill and the lot ticket. The lot ticket number shall be recorded on the sale bill.

(f) *Non-auction sale to a receiving station.* If the total pounds purchased by a receiving station exceed the balance of the "103 percent of quota" on the farm marketing card, the sale bill shall show the pounds on which penalty is due and the amount of the penalty.

(g) *Payee name to be shown on receiving station check.* Any receiving station which issues a check to cover the purchase of tobacco, shall issue such check only in the name of the payee. A receiving station check shall not be issued in the name of the seller and bearer, for example "John Doe or Bearer."

(h) *Receiving station data for burley and flue-cured tobacco.*

(1) Each official of a burley or flue-cured receiving station shall prepare, at the end of each sale day, an MQ-80-C, Daily Receiving Station Sales Summary, which is to include the following information:

- (i) Total pounds purchased,
- (ii) Total gross dollar amount of purchases,
- (iii) Total penalty pounds,
- (iv) Total amount of penalty,
- (v) The applicable farm serial number (including state and county codes) for penalty purchases,
- (vi) Beginning sale's bill number (numbers must be sequential during the

season and all sale bill numbers must be accounted for),

- (vii) Ending sale bill number, and
- (viii) Daily weights of producer floor scrap.

(2) As to the information required to be entered on MQ-80-C, Daily Receiving Station Sales Summary, by the marketing recorder, the receiving station official shall keep and make available such records as will enable the marketing recorder to enter thereon the total number of Forms MQ-72-C (manual and electronic) for the purchase day and the sum of the pounds purchased.

(3) At the end of the season, each receiving station official shall:

(i) Report on the final MQ-80-C for the season the quantity of floor scrap on hand, if any, and its location;

(ii) Producer floor scrap tobacco shall be destroyed within five days of the last purchase day and the destruction thereof witnessed by an FSA representative;

(iii) Permit its inspection by an FSA representative; and

(iv) Ship all purchased tobacco within five days of the last purchase day of the marketing season.

(i) *Ship-out record.* For flue-cured and burley tobacco, when the tobacco has been shipped from the receiving station to the processor, the ship-out bill of lading shall include the receiving station registration number, name and address, bill of lading number (must be sequential starting with the first ship-out record), lot ticket numbers for tobacco being shipped, date of shipment and delivery point name and address, and any other information deemed necessary by the Deputy Administrator.

(j) *Producer rejections.* When a producer rejects the sale of a lot of tobacco, and the tobacco has been authorized for payment and the sale bill presented to the producer for approval, the receiving station official shall not change the MQ-76-C or MQ-80-C on which the sale was reported.

(k) A remittance for all penalties shown by the entries on Form MQ-80-C shall be remitted to the marketing recorder on the date the penalty was assessed.

(l) *Producer tobacco.* Producer tobacco (first sale) in possession of a receiving station official which has not previously been identified as a purchase shall be recorded and reported on MQ-80-C as excess tobacco purchased by the receiving station. Penalty shall be due on this tobacco at the full penalty rate for the respective kind of tobacco.

* * * * *

7 CFR Chapter XIV

20. Part 1464 is amended as follows:

PART 1464—TOBACCO

21. The authority citation for 7 CFR 1464 will continue to read as follows:

Authority: 7 U.S.C. 1421, 1423, 1441, 1445, 1445-1 and 1445-2; 15 U.S.C. 714b, 714c.

22. In § 1464.10 revise paragraphs (i)(1)(i), (i)(2), (i)(3)(i), (i)(5) and (j)(1) to read as follows:

§ 1464.10 No net cost tobacco fund or account.

* * * * *

(i) * * *

(1) * * *

(i) From any dealer, warehouse operator, or receiving station official who acquired the tobacco involved from the producer; or

* * * * *

(2) A dealer, warehouse operator, or receiving station official may deduct the amount of any producer contribution or assessment from the price paid to the producer for such tobacco.

(3) * * *

(i) From the dealer, warehouse operator, or receiving station official who acquired the tobacco involved from the producer; or

* * * * *

(5) All dealers, warehouse operators, or receiving station officials who are responsible for collecting any contribution or assessment required by this section shall remit such collections to the applicable association within 15 days of the date on which the tobacco was marketed except as provided in paragraphs (i)(5)(i) and (ii).

* * * * *

(j) * * *

(1) If any dealer, warehouse operator, or receiving station official fails to collect and remit any contributions or assessments according to the provisions of this section, such person shall be liable, in addition to that amount of contributions or assessments and any late payment charges, to a marketing penalty at a rate equal to 75 percent of the average market price (calculated to the nearest whole cent) for the kind of tobacco for the immediately preceding year, on the quantity of tobacco as to which failure occurs. Such a penalty shall only be assessed after the person has been notified of the pending assessment of the penalty and the person has been afforded an opportunity for a hearing with respect to the assessment of the penalty. However, such marketing penalty shall not be assessed if such contributions or assessments are collected and remitted