

DEPARTMENT OF THE TREASURY**Bureau of Alcohol, Tobacco and Firearms****Alcohol and Tobacco Tax and Trade Bureau****27 CFR Parts 46, 47, 55, 178, and 179****[T.D. ATF—487]****RIN: 1512-AD06****DEPARTMENT OF JUSTICE****Bureau of Alcohol, Tobacco, Firearms, and Explosives****27 CFR Parts 447, 478, 479, 555, and 646****[OLC No. 01-03]****Reorganization of Title 27, Code of Federal Regulations****AGENCIES:** Department of the Treasury; Department of Justice.**ACTION:** Final rule.

SUMMARY: The Homeland Security Act of 2002 divides the Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, into two separate agencies, the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) in the Department of Justice, and the Alcohol and Tobacco Tax and Trade Bureau (TTB) in the Department of the Treasury. These changes require reorganization of title 27 of the Code of Federal Regulations. This final rule renames chapter I, establishes a new chapter II in 27 CFR, and removes certain regulations from chapter I and recodifies them in the new chapter II.

DATES: This rule is effective on January 24, 2003.

FOR FURTHER INFORMATION CONTACT: Lisa M. Gesser, Regulations Division, Alcohol and Tobacco Tax and Trade Bureau, 650 Massachusetts Avenue NW., Washington, DC 20226; 202-927-9347.

SUPPLEMENTARY INFORMATION:**Background**

On November 25, 2002, the President signed into law the Homeland Security Act of 2002, Pub. L. No. 107-296, 116 Stat. 2135 (2002). Under title XI, subtitle B, section 1111 of the Act, the “authorities, functions, personnel, and assets” of the Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury (the Bureau), are transferred to the Department of Justice, with the exception of certain enumerated authorities that are retained

by the Department of the Treasury. The authorities retained by the Secretary of the Treasury include the administration and enforcement of chapters 51 and 52 of the Internal Revenue Code, sections 4181 and 4182 of the Internal Revenue Code, and title 27 of the United States Code.

Section 1111 of the Homeland Security Act further provides that the Bureau will retain its identity as a distinct entity within the Department of Justice known as the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF). The functions retained by the Department of the Treasury are the responsibility of a new Alcohol and Tobacco Tax and Trade Bureau (TTB). The split of the Bureau’s functions takes effect on January 24, 2003.

Reorganization of Title 27 CFR

Title 27, Code of Federal Regulations (27 CFR), currently contains one chapter titled “Chapter I—Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury.” Since the Act divides the Bureau into two separate bureaus, this final rule reorganizes 27 CFR into two chapters, one for each new agency. The current chapter I will be retitled “Chapter I—Alcohol and Tobacco Tax and Trade Bureau, Department of the Treasury.” Chapter I will retain all current alcohol and tobacco regulations (except those relating to contraband cigarettes), as well as those related to the Federal firearms and ammunition excise tax. The newly established chapter II will be titled “Chapter II—Alcohol, Tobacco, Firearms, and Explosives, Department of Justice.” Chapter II will initially contain the four existing 27 CFR parts concerning firearms and explosives that are being moved from chapter I and recodified in the new chapter. Chapter II will also contain the existing regulations concerning contraband cigarettes.

This final rule does not make any changes to the current requirements of the regulations in 27 CFR. It merely divides the Bureau’s current regulations between the new TTB and ATF. In the near future, TTB and the Department of Justice will individually make the necessary technical corrections to their regulations required by the division of the Bureau into the two new bureaus. This may include changes to agency names and addresses, agency acronyms, Web site addresses, delegation order numbers, position titles, and cross references within the regulations.

As noted, this final rule removes four existing parts and one existing subpart in 27 CFR concerning firearms, ammunition, explosives, and contraband cigarettes from chapter I and

recodifies them in the new chapter II. These are:

- Part 46, Subpart F—Distribution of Cigarettes, which becomes part 646;
- Part 47, Importation of Arms, Ammunition and Implements of War, which becomes part 447;
- Part 55, Commerce in Explosives, which becomes part 555;
- Part 178, Commerce in Firearms and Ammunition, which becomes part 478; and
- Part 179, Machine Guns, Destructive Devices, and Certain Other Firearms, which becomes part 479.

The following are derivation tables for each of these recodified parts:

DERIVATION TABLE FOR PART 447

The requirements of section:	Are derived from section:
Subpart A	
447.1	47.1
447.2	47.2
Subpart B	
447.11	47.11
Subpart C	
447.21	47.21
447.22	47.22
Subpart D	
447.31	47.31
447.32	47.32
447.33	47.33
447.34	47.34
447.35	47.35
Subpart E	
447.41	47.41
447.42	47.42
447.43	47.43
447.44	47.44
447.45	47.45
447.46	47.46
Subpart F	
447.51	47.51
447.52	47.52
447.53	47.53
447.54	47.54
447.55	47.55
447.56	47.56
447.57	47.57
447.58	47.58
Subpart G	
447.61	47.61
447.62	47.62
447.63	47.63