



UNITED NATIONS

E/NL 1952/6
15 January 1952

LAWS AND REGULATIONS

PROMULGATED TO GIVE EFFECT TO THE PROVISIONS OF THE
CONVENTION OF 13 JULY 1931 FOR LIMITING THE MANUFACTURE
AND REGULATING THE DISTRIBUTION OF NARCOTIC DRUGS, AS
AMENDED BY THE PROTOCOL OF 11 DECEMBER 1946

UNITED STATES OF AMERICA

COMMUNICATED BY THE GOVERNMENT OF
THE UNITED STATES OF AMERICA

NOTE BY THE SECRETARY-GENERAL

In accordance with Article 21 of the Convention of 13 July 1931
for Limiting the Manufacture and Regulating the Distribution of Narcotic
Drugs, as amended by the Protocol of 11 December 1946, the Secretary-
General has the honour to communicate the following legislative text.

New York, 1952

TITLE 26 -- INTERNAL REVENUE

CHAPTER I -- BUREAU OF INTERNAL REVENUE

SUBCHAPTER C -- MISCELLANEOUS EXCISE TAXES

[T. D. 44]

PART 151 -- REGULATIONS UNDER THE HARRISON

NARCOTIC LAW, AS AMENDED

Definition of Narcotic Drugs. Forms 678A and 713 eliminated.

Oath on Form 678 not required.

Sworn statement concerning loss of narcotics not required.

TREASURY DEPARTMENT,

Office of Commissioner of Internal Revenue,

Office of Commissioner of Narcotics,

Washington 25, D. C.

TO COLLECTORS OF INTERNAL REVENUE

AND OTHERS CONCERNED:

Narcotic Regulations 5 [26 CFR, Part 151] relating to narcotics subject to the Harrison Narcotic Law, but only as prescribed and made applicable to the Internal Revenue Code by Treasury Decision 4884, approved February 11, 1939 [26 CFR, Cum. Supp., p. 5875] are amended as follows:

Paragraph 1. Article 2(b) (26 CFR 151.2(b)) is amended by inserting immediately following the comma after the word "isonipecaïne" the following: "opiate,".

Par. 2. Article 4 (26 CFR 151.4) is amended to read as follows:

Sec. 151.4 Manner and time of registration. Every person required to register shall execute and file with the collector for the district in which he proposes to engage in any activity involving use of narcotic drugs, an application for registration on Form 678 and pay the special tax or taxes enumerated in Article 13 (26 CFR 151.13). Form 678 shall be executed by new applicants and approved by the collector before the activity is commenced. Renewal applications shall be executed and filed on or before the succeeding July 1, and annually thereafter as long as liability is incurred. This form may be obtained from the collector.

Par. 3. Article 5(a) (26 CFR 151.5(a)) is amended to read as follows:

Sec. 151.5 *Investigation of applicants.* (a) All new applications on Form 678 shall be referred by the collector to the appropriate narcotic district supervisor for investigation, report, and recommendation. Renewal applications on Form 678 shall also be referred by the collector to the appropriate narcotic district supervisor for investigation, report and recommendation, if the collector is in doubt as to the applicant's being lawfully entitled to engage in the activity for which he seeks registration.

Par. 4. Article 6 (26 CFR 151.6) is amended to read as follows:

Sec. 151.6 *Evidence of qualification.* The application of every person shall show that, under the laws of the jurisdiction in which he is operating or proposes to operate, he is legally qualified or lawfully entitled to engage in the activities for which registration is sought.

Par. 5. Article 9 (26 CFR 151.9) is hereby repealed.

Par. 6. Article 10 (26 CFR 151.10) is amended to read as follows:

Sec. 151.10 *Inventory required.* Every person making application for registry or reregistry in any class (see Art. 13, 26 CFR 151.13), except Classes I and II, shall, as of December 31 preceding the date of his application or any date between December 31 and the date of application for such registry or reregistry, prepare in duplicate an inventory of all narcotic drugs and preparations on hand at the time of making such inventory. The inventories shall be prepared on the reverse side of Form 678, copies of which may be obtained from collectors upon request. If the taxpayer is engaged in business in more than one class, a separate inventory shall be prepared for each class. A Class V registrant is not required to make an inventory of preparations or remedies exempt under section 6, but he is required to make an inventory of all nonexempt narcotic drugs and preparations in his possession. A duplicate copy of the inventory shall be kept on file by the maker for a period of two years.

Par. 7. Article 38(a) (26 CFR 151.38(a)) is amended by striking from the second sentence thereof the number "678-A" and inserting in lieu thereof the number "678".

Par. 8. Article 41 (26 CFR 151.41) is amended by striking from the first sentence the number "678-A" and inserting in lieu thereof the number "678".

Par. 9. Article 93 (26 CFR 151.93) is amended by striking from the last sentence the number "713" and inserting in lieu thereof the number "678".

Par. 10. Article 186(a) (26 CFR 151.186(a)) is amended by striking from the second sentence the number "713" and inserting in lieu thereof the number "678".

Par. 11. Article 194 (26 CFR 151.194) is amended to read as follows:

Sec. 151.194 *Procedure in case of loss.* (a) Where, through breakage of the container or other accident, otherwise than in transit, narcotics are lost or destroyed, the person having title thereto shall make a signed statement as to the kinds and quantities of narcotics lost or destroyed and the circumstances involved, and immediately forward the statement to the narcotic district supervisor. A copy of such statement shall be retained and filed with the other narcotic records. See appendix for list of narcotic district supervisors, their headquarters and States embraced.

(b) Where narcotics are lost by theft, or otherwise lost or destroyed in transit, the consignee shall immediately upon ascertainment of the occurrence file with the narcotic district supervisor, a signed statement of the facts, including a list of the narcotics stolen, lost, or destroyed, and documentary evidence that the local authorities were notified. A copy of the statement shall be retained and filed with the other narcotic records of the consignee.

(c) A loss in transit does not authorize a vendor to duplicate a shipment on the same order form. A separate order form covering each and every shipment of narcotics is required.

This Treasury decision is issued under the authority contained in sections 2551, 2559, and 2606 of the Internal Revenue Code (53 Stat. 270, 277, 283; 26 U.S.C. 2551, 2559, 2606).

Because the amendments made by this Treasury Decision reduce the number of Forms required under certain conditions and the inclusion of opiates as part of the definition of narcotic drugs, is a matter of statutory law, it is found unnecessary to issue this Treasury Decision with notice and public procedure thereon under section 4(a) of the Administrative Procedure Act, approved June 11, 1946 or subject to the effective date limitation of section 4(c) of said Act.

This Treasury Decision shall be effective upon its filing for publication in the Federal Register.

Commissioner of Internal Revenue

Acting Commissioner of Narcotics

Approved: NOV. 24, 1950
(Signed)

Acting _____
Secretary of the Treasury