

**DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
ABSTRACT AND STATEMENT**

NOT IN SUIT

For briefing offers in compromise of liabilities and/or violations incurred under Chapters 32,51,52,53,68, and/or 78 of the Internal Revenue Code, and/or liabilities and/or violations incurred under the Federal Alcohol Administration Act.

1. OFFER SUBMITTED BY (Name and address) Farmers Tobacco Co. of Cynthiana, Inc. 636 U.S. Hwy. 27 N. Cynthiana, KY 41031	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE TAD	3. AMOUNT OF OFFER \$5,000,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (if applicable) [REDACTED]	5. SYSTEM CONTROL NUMBER(S) n/a
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$ 10,546,073.79	
	7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	

8. CHARGE VIOLATIONS:
The proponent allegedly manufactured tobacco products and removed these products for sale without payment of Federal Excise Tax, in violation of 26 U.S.C. 5703(a)(1).

BUSINESS IN WHICH ENGAGED:
The proponent is a duly qualified manufacturer of tobacco products.

DATE OR PERIOD AND LOCATION OF VIOLATIONS:
On or about and between April 1, 2004 through April 30, 2009 at the proponent's premises located at 636 U.S. Hwy. 27 N., Cynthiana, KY 41031.

AMOUNT AND TERMS OF OFFER:
The proponent has submitted an offer of \$5,000,000.00 in compromise of the above alleged violations incurred under the Internal Revenue Code.

RECOMMENDATION:
The Director, National Revenue Center recommends acceptance of the offer. In view of potential litigation hazards, acceptance of this Offer in Compromise, as submitted, is warranted.

9. I have considered the proposition to compromise the liability as charged herein, and, for the reasons embodied in the above abstract and statement, am of the opinion that it will be for the best interest of the United States to ACCEPT REJECT the terms proposed.

10. SIGNATURE AND TITLE [REDACTED] DATE 4/26/11