

**(1) List and appraisalment**

The Secretary shall cause a list containing a particular description of the goods, wares, or merchandise seized to be prepared in duplicate, and an appraisalment thereof to be made by three sworn appraisers, to be selected by the Secretary who shall be respectable and disinterested citizens of the United States residing within the internal revenue district wherein the seizure was made. Such list and appraisalment shall be properly attested by the Secretary and such appraisers. Each appraiser shall be allowed for his services such compensation as the Secretary shall by regulations prescribe, to be paid in the manner similar to that provided for other necessary charges incurred in collecting internal revenue.

**(2) Notice of seizure**

If such goods are found by such appraisers to be of the value of \$100,000 or less, the Secretary shall publish a notice for 3 weeks, in some newspaper of the district where the seizure was made, describing the articles and stating the time, place, and cause of their seizure, and requiring any person claiming them to appear and make such claim within 30 days from the date of the first publication of such notice.

**(3) Execution of bond by claimant**

Any person claiming the goods, wares, or merchandise so seized, within the time specified in the notice, may file with the Secretary a claim, stating his interest in the articles seized, and may execute a bond to the United States in the penal sum of \$2,500, conditioned that, in case of condemnation of the articles so seized, the obligors shall pay all the costs and expenses of the proceedings to obtain such condemnation; and upon the delivery of such bond to the Secretary, he shall transmit the same, with the duplicate list or description of the goods seized, to the United States attorney for the district, and such attorney shall proceed thereon in the ordinary manner prescribed by law.

**(4) Sale in absence of bond**

If no claim is interposed and no bond is given within the time above specified, the Secretary shall give reasonable notice of the sale of the goods, wares, or merchandise by publication, and, at the time and place specified in the notice, shall, unless otherwise provided by law, sell the articles so seized at public auction, or upon competitive bids, in accordance with such regulations as may be prescribed by the Secretary.

(Aug. 16, 1954, ch. 736, 68A Stat. 870; Pub. L. 85-859, title II, §204(10), (12), Sept. 2, 1958, 72 Stat. 1429; Pub. L. 85-866, title I, §78, Sept. 2, 1958, 72 Stat. 1662; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 99-514, title XV, §1566(a), (b), Oct. 22, 1986, 100 Stat. 2763.)

## AMENDMENTS

1986—Pub. L. 99-514 substituted “\$100,000” for “\$2,500” in section catchline, introductory provisions, and par. (2), and substituted “\$2,500” for “\$250” in par. (3).

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

1958—Pub. L. 85-866 struck out “district” before “attorney” in par. (3).

Pub. L. 85-859 substituted “\$2,500” for “\$1,000” in section catchline, opening par., and par. (2), and inserted “, unless otherwise provided by law,” before “sell the articles” in par. (4).

## EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99-514, title XV, §1566(e), Oct. 22, 1986, 100 Stat. 2763, provided that: “The amendments made by this section [amending this section and section 7103 of this title] shall take effect on the date of the enactment of this Act [Oct. 22, 1986].”

## EFFECTIVE DATE OF 1958 AMENDMENTS

Amendment by Pub. L. 85-866 effective Aug. 17, 1954, see section 1(c)(2) of Pub. L. 85-866, set out as a note under section 165 of this title.

Amendment by Pub. L. 85-859 effective Sept. 3, 1958, see section 210(a)(1) of Pub. L. 85-859, set out as an Effective Date note under section 5001 of this title.

**§ 7326. Disposal of forfeited or abandoned property in special cases****(a) Coin-operated gaming devices**

Any coin-operated gaming device as defined in section 4462<sup>1</sup> upon which a tax is imposed by section 4461<sup>1</sup> and which has been forfeited under any provision of this title shall be destroyed, or otherwise disposed of, in such manner as may be prescribed by the Secretary.

**(b) Firearms**

**For provisions relating to disposal of forfeited firearms, see section 5872(b).**

(Aug. 16, 1954, ch. 736, 68A Stat. 871; Pub. L. 85-859, title II, §204(13), Sept. 2, 1958, 72 Stat. 1429; Pub. L. 89-44, title VI, §601(j), June 21, 1965, 79 Stat. 155; Pub. L. 91-513, title III, §1102(f), Oct. 27, 1970, 84 Stat. 1292; Pub. L. 94-455, title XIX, §§1906(a)(43), (b)(13)(A), Oct. 4, 1976, 90 Stat. 1830, 1834.)

## REFERENCES IN TEXT

Sections 4461 and 4462, referred to in subsec. (a), were repealed by Pub. L. 95-600, title V, §521(b), Nov. 6, 1978, 92 Stat. 2884.

## AMENDMENTS

1976—Subsec. (a). Pub. L. 94-455, §1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

Subsecs. (b), (c). Pub. L. 94-455, §1906(a)(43), redesignated subsec. (c) as (b) and in subsec. (b) as so redesignated substituted “section 5872(b)” for “section 5862(b)”. Former subsec. (b), relating to narcotic drugs, was repealed. See 1970 Amendment note below.

1970—Subsec. (b). Pub. L. 91-513 struck out subsec. (b) which related to narcotic drugs and which made reference to sections 4714, 4733, and 4745(d) of this title.

1965—Subsec. (a). Pub. L. 89-44 substituted “section 4462” for “section 4462(a)(2)”.

1958—Subsec. (a). Pub. L. 85-859 added subsec. (a). Subsecs. (b), (c). Pub. L. 85-859 redesignated former pars. (1) and (2) as subsecs. (b) and (c), respectively.

## EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-455 effective on first day of first month which begins more than 90 days after Oct. 4, 1976, see section 1906(d)(1) of Pub. L. 94-455, set out as a note under section 6013 of this title.

## EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91-513 effective first day of seventh calendar month that begins after Oct. 26, 1970,

<sup>1</sup> See References in Text note below.

see section 1105(a) of Pub. L. 91-513, set out as an Effective Date note under section 951 of Title 21, Food and Drugs.

EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by Pub. L. 89-44 to take effect in a manner consistent with effective date of change of tax provision to which related, see section 701(e) of Pub. L. 89-44, set out as a note under section 6103 of this title.

EFFECTIVE DATE OF 1958 AMENDMENT

Amendment by Pub. L. 85-859 effective Sept. 3, 1958, see section 210(a)(1) of Pub. L. 85-859, set out as an Effective Date note under section 5001 of this title.

SAVINGS PROVISION

Prosecutions for any violation of law occurring, and civil seizures or forfeitures and injunctive proceedings commenced, prior to the effective date of amendment of this section by section 1102 of Pub. L. 91-513 not to be affected or abated by reason thereof, see section 1103 of Pub. L. 91-513, set out as note under sections 171 to 174 of Title 21, Food and Drugs.

**§ 7327. Customs laws applicable**

The provisions of law applicable to the remission or mitigation by the Secretary of forfeitures under the customs laws shall apply to forfeitures incurred or alleged to have been incurred under the internal revenue laws.

(Aug. 16, 1954, ch. 736, 68A Stat. 871; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

**§ 7328. Cross references**

- (1) For the issuance of certificates of probable cause relieving officers making seizures of responsibility for damages, see 28 U. S. C. 2465.
- (2) For provisions relating to forfeitures generally in connection with alcohol taxes, see chapter 51.
- (3) For provisions relating to forfeitures generally in connection with tobacco taxes, see chapter 52.
- (4) For provisions relating to forfeitures generally in connection with taxes on certain firearms, see chapter 53.

(Aug. 16, 1954, ch. 736, 68A Stat. 871, §7329; renumbered §7328, Pub. L. 94-455, title XIX, §1904(b)(8)(H)(i), Oct. 4, 1976, 90 Stat. 1816.)

PRIOR PROVISIONS

A prior section 7328, act Aug. 16, 1954, ch. 736, 68A Stat. 871, provided for confiscation of white phosphorus matches exported or attempted to be exported, prior to repeal by Pub. L. 94-455, §1904(b)(8)(H)(i).

A prior section 7329 was renumbered section 7328 of this title.

**Subchapter D—Miscellaneous Penalty and Forfeiture Provisions**

Sec.	
7341.	Penalty for sales to evade tax.
7342.	Penalty for refusal to permit entry or examination.
7343.	Definition of term “person”.
7344.	Extended application of penalties relating to officers of the Treasury Department.
7345.	Revocation or denial of passport in case of certain tax delinquencies.

AMENDMENTS

2015—Pub. L. 114-94, div. C, title XXXII, §32101(h), Dec. 4, 2015, 129 Stat. 1733, added item 7345.

**§ 7341. Penalty for sales to evade tax**

**(a) Nonenforceability of contract**

Whenever any person who is liable to pay any tax imposed by this title upon, for, or in respect of, any property sells or causes or allows the same to be sold before such tax is paid, with intent to avoid such tax, or in fraud of the internal revenue laws, any debt contracted in such sale, and any security given therefor, unless the same shall have been bona fide transferred to an innocent holder, shall be void, and the collection thereof shall not be enforced in any court.

**(b) Forfeiture of sum paid on contract**

If such property has been paid for, in whole or in part, the sum so paid shall be deemed forfeited.

**(c) Moiety**

Any person who shall sue for the sum so paid (in an action of debt) shall recover from the seller the amount so paid, one-half to his own use and the other half to the use of the United States.

(Aug. 16, 1954, ch. 736, 68A Stat. 872.)

**§ 7342. Penalty for refusal to permit entry or examination**

Any owner of any building or place, or person having the agency or superintendence of the same, who refuses to admit any officer or employee of the Treasury Department acting under the authority of section 7606 (relating to entry of premises for examination of taxable articles) or refuses to permit him to examine such article or articles, shall, for every such refusal, forfeit \$500.

(Aug. 16, 1954, ch. 736, 68A Stat. 872.)

**§ 7343. Definition of term “person”**

The term “person” as used in this chapter includes an officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

(Aug. 16, 1954, ch. 736, 68A Stat. 872.)

**§ 7344. Extended application of penalties relating to officers of the Treasury Department**

All provisions of law imposing fines, penalties, or other punishment for offenses committed by an internal revenue officer or other officer of the Department of the Treasury, or under any agency or office thereof, shall apply to all persons whomsoever, employed, appointed, or acting under the authority of any internal revenue law, or any revenue provision of any law of the United States, when such persons are designated or acting as officers or employees in connection with such law, or are persons having the custody or disposition of any public money.

(Aug. 16, 1954, ch. 736, 68A Stat. 872.)

**§ 7345. Revocation or denial of passport in case of certain tax delinquencies**

**(a) In general**

If the Secretary receives certification by the Commissioner of Internal Revenue that an indi-