

**Audit Report on  
Allegations Concerning the  
Bureau of Alcohol, Tobacco and  
Firearms' Administration of the  
National Firearms Registration  
and Transfer Record**

OIG-99-018

December 18, 1998



**Office of Inspector General**

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**United States Department of the Treasury**



DEPARTMENT OF THE TREASURY  
WASHINGTON

December 18, 1998

INSPECTOR GENERAL

MEMORANDUM FOR DIRECTOR JOHN W. MAGAW  
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

FROM:

*for* David C. Williams  
Inspector General

*Richard B. Lichten*

SUBJECT:

Report on the Bureau of Alcohol, Tobacco and  
Firearms' Administration of the National  
Firearms Registration and Transfer Record

The attached report presents the results of our review on the Bureau of Alcohol, Tobacco and Firearms' (ATF) administration of the National Firearms Registration and Transfer Record (registry). This report is a supplement to our report (OIG-99-009) issued on October 26, 1998 to you concerning allegations of ATF mismanagement, misconduct, and improper recordkeeping of the registry. This supplemental report discusses additional issues related to the maintenance of the registry. The overall objective of this report was to determine whether ATF had properly maintained the registry.

Our review disclosed that ATF had maintained the registry in accordance with laws and regulations. However, our review showed that ATF needed to: (1) strengthen certain administrative procedures over receipt of checks and records; (2) timely process correspondence and forms; (3) improve monitoring of access to the registry database; (4) improve reference to examination of research reports which support ATF decisions on classification decisions; and (5) determine the extent to which the registry lists weapons as in the possession of persons who are most likely deceased.

As a result of these conditions there was an increased risk that the registry would not always accurately reflect all National Firearms Act (NFA) weapons and could adversely affect Congress' intent to control these weapons. We discussed the results of our review with ATF officials during fieldwork and on September 4, 1998. In a November 27, 1998 response to our draft report, ATF officials agreed with our recommendations or proposed alternative actions which satisfied the intent of our

