

## CUBAN CIGAR UPDATE

The revival of interest in cigars and cigar smoking underscores the need to remind the public of the prohibitions that have been in place for many years with respect to cigars of Cuban origin. The number of attempted importations of Cuban cigars into the United States is rising and, because dealing in such cigars may lead to Treasury enforcement actions, the public should be aware of - and make every effort to observe - the prohibitions which are in effect.

Only persons returning from Cuba after a licensed visit there are permitted to bring Cuban cigars into the United States, provided the value of such cigars does not exceed 100 US dollars and the cigars are for that person's personal use and not for resale. All other importations of Cuban cigars are illegal. All offers to buy or sell such cigars in the United States involve cigars that are imported illegally. Contrary to what many people may believe, it is illegal for travelers to bring into the United States Cuban cigars acquired in third countries (such as Canada, England, or Mexico).

It is also illegal for U.S. persons to buy, sell, trade, or otherwise engage in transactions involving illegally-imported Cuban cigars. The penalties for doing so include, in addition to confiscation of the cigars, civil fines of up to \$55,000 per violation and, in appropriate cases, criminal prosecution which may result in higher fines and/or imprisonment.

These prohibitions are applicable to all goods of Cuban origin and are an important element of the comprehensive program of economic sanctions against the Cuban Government which have been in place since 1963. Those sanctions have had the support of the last seven Administrations.

The U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") administers the embargo of Cuba. Suspected embargo violations may be reported telephonically to OFAC's Enforcement Division at (202)622-2430 or via facsimile at 202-622-1657.

June 19, 1998

COMPL 97145