

**Supporting Statement  
Administrative Rulings  
1651-0085**

**A. Justification**

1. The collection of information in Part 177 of the Bureau of Customs and Border Protection (CBP) Regulations is necessary in order to enable CBP to respond, in a meaningful way, to requests by importers and other interested persons for the issuance of administrative rulings. These rulings pertain to the interpretation and application of the CBP and related laws with respect to prospective and current transactions and for the issuance of country-of-origin advisory rulings and final determinations relating to Government procurement. The collection of information in Part 177 of the CBP Regulations is also necessary to enable CBP to make proper decisions regarding the issuance of binding rulings that modify or revoke prior CBP binding rulings.

The issuance of binding rulings on prospective transactions, including decisions on appeals of binding prospective rulings, affords importers and other interested persons an opportunity to know in advance what the legal consequences of a planned import transaction will be. Thus, importers and other interested person ruling recipients gain predictability and a guarantee, absent a subsequent modification or revocation, that CBP will apply the result in the binding ruling to the described transaction once it becomes a current transaction. The ruling process also benefits both CBP and the importing public in general by fostering uniformity and efficiency in the various ports.

The issuance of binding rulings on current transactions under the internal advice procedure, including decisions on appeals of internal advice decisions. It affords importers and other interested persons an early opportunity to obtain higher level administrative review of a transaction while it is still pending in a CBP field office, thus potentially avoiding the need to pursue the more formal protest. The internal advice procedure also helps CBP ensure greater uniformity of decisions in the ports and to ensure proper application of existing administrative precedents to the current transaction at issue.

2. The information is to be used by CBP officers to collect such information that is necessary for the purposes of rendering an administrative ruling. Insufficient or incomplete information submitted to CBP with a ruling request will cause CBP to decline to issue the requested ruling, thus eliminating the benefit of the ruling process. A failure on the part of an importer or other interested person to provide relevant information to CBP in connection with an internal advice request may result in termination of the procedure or may result in an internal advice decision that does not take into account the views of that importer or other interested person.
3. CBP is currently experimenting with e-ruling requests. Currently about 17 percent of respondents are submitting their requests for rulings electronically.
4. Since each request is unique, this information is not duplicated elsewhere.
5. No additional consideration has been given to small businesses or entities.
6. Failure to collect this information would have no consequences to the Federal program; it would however severely limit the public to receive advanced rulings.
7. This information collection is conducted in a manner consistent with the guidelines in 5 CFR 1320.5(c)(2).
8. Public comments were solicited through two Federal Register notices dated, September 18, 2006 and November 24, 2006. As of this submission no comments have been received.
9. There is no offer of a monetary or material value for this information collection.
10. This information collection may involve questions of a commercially sensitive nature.
11. There are no questions of a personal or sensitive nature on this declaration.

12. Estimated Annualized Burden on the Public - The estimated burden for this information collection is 128,000 hours:

- based on an estimated 12,000 respondents filing one request for an administrative ruling each year for a total of 12,000 annual responses. Each response requires an estimated 10 hours to complete for a total of 120,000 burden hours.
- based on an estimated 200 respondents filing one appeal from an administrative ruling each year for a total of 200 annual responses. Each response requires an estimated 40 hours to complete, for a total of 8,000 burden hours.

Estimated Annualized Cost to the Public. The estimated cost to the respondents is \$12,800,000.00, based on 128,000 burden hours at an average rate of \$100.00 per hour.

13. Estimated Record Keeping Burden on the Public. There are no record keeping cost associated with this information collection.

Estimated Capitalization Cost Burden on the Public. There are no capitalization cost associated with this information collection.

14. Estimated Cost to the Federal Government - The estimated annual cost to the Federal Government in handling and processing this information is \$7,500,000.00. This is based on 125,000 hours expended at an average hourly rate of \$60.

15. There are no changes to this information collection.

16. This information will not be published for statistical purposes.

17. There is no form involved with this information collection.

18. No statistical methods were employed.