

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement – Information Collection Request

OMB Control Number – 1513-0032

TTB F 5210.9 Inventory – Manufacturer of Tobacco Products

A. Justification

1. What are the circumstances that make this collection of information necessary and what legal or administrative requirements necessitate the collection?

26 U.S.C. 5721 imposes the requirement upon every manufacturer of tobacco products, cigarette papers or tubes and export warehouse proprietors of taking a true and accurate inventory of all tobacco products. These inventories are to be taken at the commencement of business, conclusion of business, and at any other time as prescribed by regulations. Inventory records are to be maintained in the manner prescribed by regulations and available for inspection by TTB officers as required by 26 U.S.C. 5741. The requirement for submission of TTB F 5210.9 is contained in TTB regulations at 27 CFR 40.201.

2. How, by whom, and for what purpose is this information used?

This form provides a uniform format for recording inventories on tobacco products. The information contained in TTB F 5210.9 enables TTB to determine that correct taxes have been or will be paid. Tax liability is established to prevent jeopardy to the revenue derived from tobacco products.

3. To what extent does this collection of information involve the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology? What consideration is given to use information technology to reduce burden?

We have approved and will continue to approve, on a case-by-case basis, the use of improved information technology for the maintenance of records needed for this information collection.

4. What efforts are used to identify duplication? Why can't any similar information already available be used or modified for use for the purposes described in Item 2 above?

We terminated the Federal Information Locator System (FILS) Program for agency use. However, we search an agency subject classification system to identify duplication. Similar information is not available elsewhere for this information collection requirement.

5. If this collection of information impacts small businesses or other small entities, what methods are used to minimize burden?

This reporting requirement is considered to be the minimum necessary to ensure compliance. This collection of information is not susceptible to reduced requirements for small business.

6. What consequences to Federal program or policy activities and what, if any, technical or legal obstacles to reducing burden will occur if this collection is not conducted or is conducted less frequently?

Not collecting this information or less frequent collection of this information would pose jeopardy to the revenue.

7. Are there any special circumstances associated with this information collection?

There are no special circumstances associated with this information collection.

8. What effort was made to notify the general public about this collection of information?

A 60-day Federal Register notice was published for this information collection on Monday, July 3, 2006, 71 FR 37977. The notice solicited comments from the general public. TTB received no comments.

9. What decision was made to provide any payment or gift to respondents, other than reenumeration of contractors or grantees?

No payment or gift is associated with this collection.

10. What assurance of confidentiality was provided to respondents and what was the basis for the assurance in statute, regulations, or agency policy?

This information collection is maintained at our National Revenue Center in secure file rooms with controlled public access. Moreover, 26 U.S.C. 6103 and 5 U.S.C. 552 protects the confidentiality of the information collected.

11. What justification is there for questions of a sensitive nature?

We ask no questions of a sensitive nature.

12. What is the estimated hour burden of this collection of information?

Our estimate of the number of respondents is based on knowledge of the tobacco industry. The estimate of burden hours required (5 hrs.) to provide the information is based on the time required by current respondents. 170 (number of respondents) \times 1 (frequency of filing) = 170 (number of responses) \times 5 hours (processing time) = 850 (total burden hours). The records retention period is 3 years after the close of the year for which inventories are filed.

13. What is the estimated total annual cost burden to respondents or recordkeepers resulting from this collection of information?

No cost is associated with this collection.

14. What is the annualized cost to the Federal government?

Estimates of annual cost to the Federal government are as follows:

Printing	\$200
Distribution	120
Clerical Cost	100
Other Salary (review supervisory, etc.)	<u>380</u>
Total	\$800

15. What is the reason for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I?

There is an adjustment of an 680 hour increase associated with this collection due to an increase of 136 respondents from the 34 previously reported.

16. Outline plans for tabulation and publication for collections of information whose results will be published.

The results of this collection will not be published.

17. If seeking approval to not display the expiration date for OMB approval of this information collection, what are the reasons that the display would be inappropriate?

We are not seeking approval to not display the expiration date for OMB approval.

18. What are the exceptions to the certification statement?

There are no exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

This collection does not employ statistical methods.