

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement – Information Collection Request

OMB Control Number – 1513-0095

TTB F 5300.28 APPLICATION FOR REGISTRATION FOR TAX-FREE

A. Justification

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

A Federal excise tax is imposed by 26 U.S.C. 4181 on the sale of pistols and revolvers, other firearms, shells and cartridges (ammunition) sold by firearms manufacturers, producers, and importers. Under 26 U.S.C. 4221 no tax is imposed on certain sales of firearms and ammunition. With certain exceptions, section 4222 provides that tax is not imposed on these sales only if the seller and purchaser of the articles are registered. Section 4222 provides further that the Secretary may prescribe by regulations the manner, forms, terms, and conditions of registration. 27 CFR 53.140 prescribes the use of TTB F 5300.28 as the application to obtain an approved Certificate of Registry to sell or purchase firearms and ammunition tax-free. Additional regulations regarding the registration are contained in 27 CFR 53.141 and 27 CFR 53.142.

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

TTB uses the information requested on TTB F 5300.28 to determine if persons (applicants) should be granted the privilege of purchasing or selling firearms and ammunition tax-free.

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?

This version of TTB F 5300.28 eliminates the burden on an applicant to file information previously filed with TTB. An applicant can now reference the information contained in

another Certificate of Registry application, Federal firearms license application, or any other approved application filed with TTB. A TTB office can access the applicant's information in the referenced application through existing automated databases, electronic transmission from another TTB office, or existing files within the TTB office.

TTB will continue to examine areas where the use of improved information technology can decrease the collection requirement on taxpayers. We have approved and will continue to approve, on a case-by-case basis, the use of improved information technology for the maintenance of required records.

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

The information required on TTB F 5300.28 is minimal and is not done on a recurring basis. Each applicant will normally file this form only once. See also response to #3 above.

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

Applicants normally file only once to obtain a Certificate of Registry. It is not practical to reduce this requirement.

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?

The requirement to register in order to conduct these sales tax free is statutory. If this information were not collected, TTB would not have the necessary facts on which to base its decisions to grant Certificates of Registry, and could not comply with the statute.

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 notice was published in the Federal Register (72 FR 20176) on Monday, April 23, 2007. The notice solicited comments from the general public. TTB received no comments in response to this notice.

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

No decision of 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?

No specific assurance of confidentiality is provided on TTB F 5300.28. Respondents' confidentiality is protected by 26 U.S.C. 6103, and 5 U.S.C. 552a.

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

No questions of a sensitive nature are asked.

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

We expect that brewers will file this form once. We estimate this form requires 3 hours to complete.

| | |
|---------------------------------------|------------|
| Number of Firearms & Ammunition Mfrs. | 317 |
| Total annual responses | 317 |
| Hours per response | <u>x 3</u> |
| Total annual hours | 951 |

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 | \$ 500 |
| Distribution | 1,000 |
| Clerical costs | 750 |
| Other Salary (review supervisory, etc.) | <u>2,000</u> |
| Total | \$ 4,250 |

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 adjustments associated with this collection due to an increase in the number of respondents, from 125 to 317.

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

The results of this collection of information 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 will display the expiration date of OMB approval for this collection.

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 of information does not use statistical methods.