

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0112

TTB F 5630.5a - Alcohol Special (occupational) Tax Registration and Return – For  
Periods Ending On or Before June 30, 2008

TTB F 5630.5d - Alcohol Dealer Registration – For Use On and After July 1, 2008

TTB F 5630.5t - Special Tax Registration and Return - Tobacco

**A. JUSTIFICATION**

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

On August 10, 2005, President Bush signed into law the “Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users,” Public Law 109-59. Section 11125 of that Act permanently repeals, **effective July 1, 2008**, the special (occupational) taxes (SOT) on:

- alcohol beverages producers and marketers,
- non-beverage products manufactures,
- tax-free alcohol users, and
- specially denatured spirits users and dealers.

Although the tax has been repealed, recordkeeping and registration requirements remain. Further, any tax liabilities that were incurred for periods before the law’s effective date remain. (However, there is no liability for alcohol occupations, other than users of tax-free alcohol and users and dealers of specially denatured spirits, during the previously enacted 3-year tax suspension that runs from July 1, 2005, through June 30, 2008.)

Section 11125 of Public Law 109-59 does not affect any tobacco occupations; therefore,

- tobacco products manufacturers (TPM),
- cigarette papers and tubes manufacturers (CPTM), and
- tobacco export warehouse proprietors (TEWP)

must continue to register and pay the SOT every year. The registration and tax for these tobacco occupations is due before beginning business, and on or before July 1 of every year after that.

Though the law repealed the payment of tax for some industry members, the requirement to register remained. Therefore, we are changing TTB F 5630.5 to TTB

F 5630.5t, and removing all industry members except for the TEWP, CPTM, and TPM because they are the only industry members that will continue to pay SOT. Also, we have created new forms; TTB F 5630.5d, to accommodate the registration requirements on and after July 1, 2008; and TTB F 5630.5a to accommodate the registration and/or payment requirements on and before July 1, 2008, as provided for by the law.

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

TTB F 5630.5a is to be completed by persons who are already in business but have failed to register or pay the SOT prior to June 30, 2008

TTB F 5630.5d is to be completed by new wholesale and retailer liquor dealers businesses to file a registration under the SOT registration provisions; and by wholesale and retailer liquor dealers existing businesses to register changes in business operations. However, businesses that file a registration or brewer's notice under the qualification provisions of Parts 19, 24, and 25 of the TTB regulations would not have to file TTB F 5630.5d.

TTB F 5630.5t is to be completed by tobacco manufactures and tobacco export warehouses for years prior to 2008 and first time taxpayers, to register and pay SOT. Renewal registrations and returns for these businesses will be filed with a TTB F 5630.5R approved under OMB Control No. 1513-0113.

The forms are used to compute and report the tax, and as an application for registry as required by statute. TTB National Revenue Center has the responsibility for maintaining the accounting records to accurately reflect each taxpayer's liabilities and payments and for the processing of taxpayers' SOT returns.

TTB's staff will examine the returns and use automated methods to determine:

- (a) whether the return was timely filed;
- (b) whether the return is mathematically correct;
- (c) whether the taxpayer has properly registered;
- (d) whether the taxpayer has accounted for all businesses and any change of the number of locations, or if there has been a change in control of the business;
- (e) whether the taxpayer has notified TTB that the business has been discontinued; and
- (f) whether the taxpayer has satisfied his/her full SOT liability.

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?

Since there are new forms associated with this information collection request, we will consider on a case-by-case bases, the use of information technology.

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?

Many alcohol beverage dealers do not otherwise register with TTB, and there is no similar information already available. However, TTB will consider applications for registration and brewer's notice filed by distilled spirits plants, breweries, wineries, bonded wine warehouses, and taxpaid bottling houses under the qualification provisions of 27 CFR parts 19, 24, or 25 as a registration for SOT purposes and not require a TTB F 5630.5d to be filed. For tobacco businesses that must also pay a SOT tax similar information is not available from other sources.

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

TTB has minimized the burden on all entities by (1) considering alternatives to registration as described in our answer to 4 above; and (2) requiring the forms be submitted only when tax is due or changes to the information provided on the registration forms occurs.

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?

Without the use of these forms, the Federal SOT payment and registration requirements imposed by statute would not be enforced. These forms are used only as often as necessary to adhere to statutory requirements.

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?

The general public will be notified of this information collection in a temporary rule published in the Federal Register. TTB will also make the information available on its Website, [www.ttb.gov](http://www.ttb.gov).

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?

No specific assurance of confidentiality is provided on these forms. 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?

The number of respondents is estimated at 35,000. Each respondent will complete the form applicable to him/her once annually. It takes each respondent approximately 25 minutes to complete the applicable form.

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

There is no startup cost or annual cost to the respondent.

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

The estimated annual cost to the Federal Government for these forms is \$205,000. Included in this total cost is cost for printing, distribution, and clerical and administrative cost.

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 a program change in Item 13 of the OMB Form 83-I due to a change in the law that resulted in a decrease in the number of respondents. We revised TTB F 5630.5 to accommodate the suspension of SOT for everyone except Tobacco Products Manufacturers and Export Warehouse Proprietors and Cigarette Papers and Tubes Manufacturers. This revision resulted in the creation of TTB F 5630.5t. We also added 2 new forms that cover the collection of SOT and registration before July 1, 2008 and the registration after July 1, 2008. We have eliminated the annual registration requirement for non SOT taxpayers, and eliminated registration form requirements for filers who (1) do not have to pay SOT and (2) have registered or filed a brewer's notice under other provisions in 27 CFR parts 19, 24, and 25.

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

We will not publish the results of this collection.

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. This collection does not employ statistical methods.