

DEPARTMENT OF THE TREASURY
ALCOHOL TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0102

TTB REC 5210/2 - Drawback of Tax on Tobacco Products and Cigarette Papers and Tubes – Export Shipment

A. JUSTIFICATION

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

In order to protect the revenue generated by the manufacturer of tobacco products and cigarette papers and tubes, manufacturers are required to maintain records designed to establish accountability over the tobacco products and cigarette papers and tubes produced.

Exporters of tobacco products and cigarette papers and tubes, who pay taxes, may claim drawback of tax by complying with the requirements of law and regulations.

26 U.S.C. 5706 set forth the statutory authority for drawback of tax upon the exportation of tobacco products and cigarette papers and tubes.

Regulatory requirements pertaining to drawback of the tax are in 27 CFR 44.225, 44.226, 44.227, and 44.228.

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

TTB uses this claim and recordkeeping information to carry out its statutory responsibility to protect the revenue by requiring proprietors to maintain accountability over tobacco products and cigarette papers and tubes exported and on which drawback is claimed.

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?

TTB has 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 identify duplication? Why can't any similar information already available be used or modified for use for the purposes described in Item 2 above?

To avoid duplication, manufacturers maintain only the records needed to verify each exportation and claim for drawback. As far as we can determine, similar information is not available any where else.

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

The collection of information does not have a significant impact on a substantial number of small businesses or other small entities. Further, TTB generally limits the records requirement to only such information that protects the revenue by documenting the exportation.

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?

This recordkeeping requirement is considered to be the minimum necessary to ensure compliance. The record contains the minimum amount of information necessary to maintain accountability within the system; any less information would make the record meaningless.

7. Are there any special circumstances associated with the 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 Friday, April 25, 2008, 73 FR 22462. The notice solicited comments from the general public. We 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 provided to respondents.

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

These records are maintained at the premises of the regulated individual. However, 5 U.S.C. 552 protect the confidentiality of proprietary information obtained by the Government from regulated individuals, and 26 U.S.C. 6103 prohibits the disclosure of tax information.

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

Records of a sensitive nature are not required.

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

Drawback claimants use standard exportation documentation in support of claims. Tens of thousands of exportations of tobacco products and cigarette papers and tubes occur annually. However, fewer than one claim per year is filed for drawback of tax on these exportations.

The information collection and recordkeeping burden imposed on the proprietor is estimated to be five (5) hours. This estimate assumes that one claim is filed by all potential claimants per year.

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

There is no cost associated with this collection.

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

There is no cost to the Federal Government.

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

There are no program changes or adjustments associated with this collection.

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?

It would be inappropriate to display the expiration date for OMB approval because these are records that are maintained and the claims are submitted by the recordkeeper; and unlike a form, there is no medium for us to display the date.

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 employ statistical methods.