

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

SUPPORTING STATEMENT – INFORMATION COLLECTION REQUEST

OMB Control No. 1513-0113

TTB F 5630.5R - Special Tax "Renewal" Registration and Return/Special Tax Location  
Registration Listing

Justification

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

Statutory sections of Chapters 51, 52, and sections 4181 and 4182 of 26 U.S.C. authorize the collection of an occupational tax from persons engaging in certain alcohol and tobacco businesses. In the Internal Revenue Code, there are several excise tax sections that require persons to register and/or pay a special occupational tax before conducting business in certain alcohol and tobacco categories. The following is a list of statutory sections of 26 U.S.C. which impose the collection of special occupational taxes:

5081    5091    5111    5121    5131    5142    5276    5731    5801

The following are regulatory sections of 27 CFR which implement the above statutory sections:

17.21	24.50	31.1	31.136
17.22	24.51	31.21	31.137
17.23	24.52	31.23	31.139
17.24	24.53	31.24	31.151
17.31	24.54	31.25	31.152
17.32	24.55	31.26	31.161
17.33	25.111	31.27	31.162
17.34	25.111a	31.29	31.163
17.51	25.111b	31.30	31.165
17.52	25.112	31.31	31.166
17.53	25.113	31.32	31.167
17.54	25.114	31.33	31.168
17.55	25.117	31.34	31.169
17.61	25.118	31.35	31.170
17.62	25.119	31.51	40.31
17.63	25.120	31.52	40.32
17.71	25.121	31.53	40.33
17.73	25.122	31.54	40.34
17.74	25.123	31.55	40.35
17.91	25.125	31.56	40.36
19.49	25.126	31.57	40.371
19.50	25.131	31.58	40.372
19.51	25.132	31.59	40.373
19.52	25.133	31.71	40.374
19.53	25.134	31.72	40.375
19.54	26.44	31.92	44.31
19.906	26.45	31.93	44.32
20.38	26.46	31.94	44.33
20.38a	26.47	31.101	44.34
20.39	26.171	31.103	44.35
20.40	26.307	31.104	44.36
20.40a	27.30	31.104a	53.61
20.241	27.31	31.105	
22.37		31.106	
22.38		31.107	
22.38a		31.121	
22.39		31.121a	
22.40		31.124	
22.171		31.125	
		31.126	
		31.127	

31.131

31.134

31.135

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

TTB F 5630.5R is used both to compute and report the tax, and as an application for registry as required by statute. TTB 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.

In the case of a late filed return or an underpayment, our computer will initiate an assessment of applicable penalties and interest. In addition, TTB field inspectors will upon occasion examine the taxpayers' tax stamps and ensure compliance.

All the information requested on TTB F 5630.5R is essential to the functions of collecting, processing, and accounting for alcohol and tobacco special tax payments.

The form identifies the taxpayer, tax classes, and the particular premises covered by the return. Without this form, the Federal special occupational tax on alcohol and tobacco products could not be collected. These payments and collections are mandated by legislation.

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?

Alcohol and tobacco SOT taxes are required by statute to be collected on the basis of a return. TTB F 5630.5R is computer generated by TTB with taxpayer identifying information (e.g., name, trade name, address, employer identification number, etc.) along with tax computations reflecting tax class(es), number of business locations, tax rate(s), and total tax due. We have approved and will continue to approve, on a case-by-case basis, the use of improved information technology for the collection of required information.

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 search an agency subject classification system to identify duplication, and no similar information is available from any other source.

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

The information collected 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?

The tax collections and registration for which this form is used are required by statute. 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 Wednesday, November 21, 2007, 72 FR 65646. 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?

Disclosure of this tax return information to persons outside of TTB is restricted and

governed by the procedural requirements of 26 U.S.C. 6103.

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?

We estimate that this recordkeeping requirement will take each of the 350,000 respondents 15 minutes to prepare this form once per year, resulting in a total burden of 87,500 hours.

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

Our estimate of the cost to the respondent is as follows:

Capital Costs – None	
Operation and Maintenance Cost –	
Labor -	\$ 2,625,000 (350,000 X .25 X \$30/hr)
Mailing -	170,000
Overhead -	<u>340,000</u>
Total	\$3,135,000

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

Cost to the Federal Government is as follows:

Labor	-	\$ 768,800
Overhead	-	76,800
Printing and Mailing	-	<u>175,000</u>
Total		\$1,020,600

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 adjustments associated with this collection due to the miscalculation of the burden hours in Items 13 and the annual cost in 14 of OMB Form 83-I. In Item 13, the actual total annual hours requested is 87,500 rather than 100,500, which was previously reported. In Item 14, the labor cost, that was used to calculate the Operation and Maintenance Cost, was calculated incorrectly (see calculations in Item 13 above).

There are, however, no changes in the information being collected.

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 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. Collections of Information Employing Statistical Methods.**

This collection does not employ statistical methods.