

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0024

TTB F 5220.4 Report – Proprietor of Export Warehouse

A. JUSTIFICATION

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

Persons operating businesses, known as export warehouses must qualify for and receive a permit from TTB. One of the requirements for operation under this permit is the filing of a monthly report of operations, TTB F 5220.4. The Internal Revenue Code, 26 U.S.C. 5722, authorizes the Secretary of the Treasury to prescribe regulations requiring such reporting. The implementing regulations are found under 27 CFR:

44 147	44.149	44.151
44.148	44.150	

TTB F 5220.4 is a balanced report which summarizes operations at the export warehouse and accounts for the articles for which tax is not due and which are being handled by these proprietors. Normally, no tax will be paid on the tobacco products if they are properly exported, and TTB F 5220.4 is the only document filed with TTB which identifies the inventory, at any given time at the export warehouse premises, as well as the articles received and removed during the reporting period.

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

TTB uses the information collected on TTB F 5220.4 to ensure that proprietors conduct their operations in a manner that protects the revenue and promotes compliance with the law and regulations. TTB gathers information about specific activities that account for articles that could be subject to tax. These reports are checked with proprietors' tax returns to ensure that their taxes are properly paid. TTB conducts additional checks, for example on losses, to make sure that the revenue is collected and that proprietors are complying with the law and regulations. TTB examines and verifies entries so that unusual activities, errors, and omissions may be identified. For example, TTB personnel verify the on-hand inventory figures, the accuracy of additions and computations, and that the bond required of the proprietor is sufficient.

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 provides an electronic means, through Pay.gov, for proprietors to provide this information in addition to allowing manual reports by businesses that may not be able to use the electronic system.

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?

TTB F 5220.4 collects information that is pertinent to each respondent and applicable to their specific operations. 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?

TTB requires all businesses, regardless of size, to complete this report because the information is necessary to protect the revenue. In the future, TTB may consider reducing the frequency of this information collection for small businesses if it does not affect the accuracy and timeliness of the required information, and does not jeopardize the revenue.

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?

If TTB were not able to collect this information, then TTB would not fulfill its obligations and goals to protect the revenue. In addition, a less frequent information collection jeopardizes TTB's ability to take accurate and timely action when it reviews this information.

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 Thursday, September 4, 2008, 73 FR 51699. 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?

No specific assurance of confidentiality is provided; however, TTB protects the confidentiality of this information under 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?

The burden on respondents is 797 hours. The number of respondents (83) and the number of forms filed annually (12) by each are based on historical data provided by field office personnel who process this form. It takes each respondent 48 minutes to complete each form.

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	\$ 2,000
Distribution	1,000
Clerical Cost	10,900
Other Salary (review by specialist, etc.)	60,000
Overhead	<u>7,290</u>
TOTAL	\$81,190

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 in Item 13 due to a decrease in the number of respondents.

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. Collections of Information Employing Statistical Methods.

This collection does not employ statistical methods.