

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0078

TTB Form 5200.3	Application for a Permit as a Manufacture of Tobacco Products or an Export Warehouse Proprietor
TTB Form 5200.16	Application for an Amended Permit as a Manufacture of Tobacco Products or an Export Warehouse Proprietor
TTB Form 5230.4	Application for Permit under 26 U.S.C. Chapter 52, Importer of Tobacco Products
TTB Form 5230.5	Application for an Amended Permit under 26 U.S.C. 5712, Importer of Tobacco Products

A. JUSTIFICATION

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

26 U.S.C. 5712 states that every person, before commencing business as a Manufacturer of Tobacco Products, Importer of Tobacco Products, or as an Export Warehouse Proprietor, and at such time as the Secretary shall by regulation prescribe, shall make application for the permit provided for in 26 U.S.C. 5713.

The proprietor completes and submits TTB F 5200.3 or 5230.4 to obtain a permit. When the need arises, a proprietor will complete and submit TTB F 5200.16 or TTB F 5230.5 to inform TTB of changes affecting the accuracy of the information on a current permit and to obtain a new, corrected permit. On occasion, the applicant may be asked to submit additional supporting documentation together with these TTB Forms. The additional documentation may consist of corporate documents, articles of partnership or association, a trade name certificate and/or a description and diagram of premises. When necessary, additional supporting documentation must be furnished to determine whether the applicant is entitled to and will be issued a permit or an amended permit. All such documentation will become a part of the application for permit or amended permit.

The statutory authority for this submission is prescribed in the following regulations:

27 CFR 40.62	27 CFR 41.191	27 CFR 44.83
27 CFR 40.63	27 CFR 41.192	27 CFR 44.84
27 CFR 40.64	27 CFR 41.193	27 CFR 44.85

27 CFR 40.65	27 CFR 41.194	27 CFR 44.88
27 CFR 40.69	27 CFR 41.195	27 CFR 44.91
27 CFR 40.73	27 CFR 41.197	27 CFR 44.101
27 CFR 40.91	27 CFR 41.202	27 CFR 44.102
27 CFR 40.92	27 CFR 41.220	27 CFR 44.103
27 CFR 40.93	27 CFR 41.221	27 CFR 44.104
27 CFR 40.101	27 CFR 41.222	27 CFR 44.105
27 CFR 40.102	27 CFR 41.223	27 CFR 44.106
27 CFR 40.103	27 CFR 41.224	27 CFR 44.107
27 CFR 40.104	27 CFR 41.225	27 CFR 44.108
27 CFR 40.111	27 CFR 41.226	27 CFR 44.109
27 CFR 40.112	27 CFR 41.227	27 CFR 44.111
27 CFR 40.113	27 CFR 41.228	27 CFR 44.112
27 CFR 40.114	27 CFR 44.82	

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

TTB National Revenue Center personnel use the information requested on TTB F 5200.3 and TTB F 5230.4 and any additional supporting documentation to identify the applicant for a permit under 26 U.S.C. 5712, the location and mailing address of his permit premises and of his principal place of business, if different, the trade names under which the business is to be operated, and the type of permit being applied for. Item 4 of TTB F 5200.3 asks the applicant to describe his business premises. This information is used for two purposes:

(1) to determine the exact location of the permit premises (since the premises may consist of less than an entire building, a street address by itself may not be sufficient to describe the location); and

(2) to determine whether the premises are, as required by 26 U.S.C. 5712(I), adequate to protect the revenue, which was in excess of \$5 billion for the fiscal year 1998.

Once the information on TTB F 5200.3 or TTB F 5230.4 has been reviewed, it is used to prepare a permit.

TTB F 5200.16 and TTB F 5230.5 and any additional supporting documentation provide the same type of information as TTB F 5200.3 and TTB F 5230.4. They are used to prepare amended permits when there has been a change affecting the accuracy of the original permit. Please note that the applicant for amended permit completes only those portions of TTB F 5200.16 and TTB F 5230.5 and any additional supporting documentation that will identify him/her and the changes that have occurred at his/her premises, therefore reducing the burden on the respondent from that of TTB F 5200.3 and TTB F 5230.4. TTB will continue to use these forms to ensure proper monitoring of the tobacco products industry.

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 will consider the use of improved technology on a case-by-case basis,

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?

These forms collect information that is pertinent to each respondent and applicable to the specific operations of each applicant. 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 type and amount of information requested by the TTB forms are the minimum necessary to determine if a permit or amended permit can be issued. The amount of information that a small business will have to collect and file with TTB is normally less than a larger, more complex 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?

If this information is not collected through the use of TTB Forms 5200.3, 5200.16, 5230.4, and 5230.5 plus any additional supporting documentation, TTB will not be able to identify persons who engage in the business and will be unable to protect the revenue. Also, TTB will not be able to determine that applicants fulfill the requirements set forth in 26 U.S.C. 5712. All of these TTB activities are mandated by Title 26 U.S.C., Chapter 52.

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 on this form. 26 U.S.C. 6103 and 5 U.S.C. 552 protects the confidentiality of the information collected, except where noted.

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?

TTB Form 5200.3  
Number of respondents – 50  
Total annual responses – 50  
Annual Hours Requested – 100

TTB Form 5220.4  
Number of respondents – 450  
Total annual responses – 450  
Annual Hours Requested – 900

TTB Form 5200.16  
Number of respondents – 30  
Total annual responses – 30  
Annual Hours Requested – 30

TTB Form 5220.5  
Number of respondents – 100  
Total annual responses – 100  
Annual Hours Requested – 100

Total number of respondents – 630  
Total annual responses – 630  
Total Annual Hours – 1,130  
Current OMB inventory – 1,130

We do not anticipate any increase in the burden hours. Though the instructions on TTB Forms 5200.3 and 5200.16 may take longer to read, the overall benefit to the applicant offsets this burden. TTB uses plain language on TTB Forms 5200.3 and 5200.16 to make it easier for an applicant to correctly complete them. Consequently, we expect less time required by applicants to complete TTB Forms 5200.3 and 5200.16 and a quicker response by TTB to their request.

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

TTB Form 5200.3  
Capital/startup costs – Not applicable  
Salary - \$4,500  
Clerical & filing costs – \$450  
Overhead – \$495

TTB Form 5230.4  
Capital/startup costs – Not applicable  
Salary - \$40,500  
Clerical & filing costs – \$4,050  
Overhead – \$4,450

Total - \$5,445

TTB Form 5200.16  
Capital/startup costs – Not applicable  
Salary - \$1,350  
Clerical & filing costs – \$135  
Overhead – \$150  
Total - \$1,635

Total - \$49,000

TTB Form 5230.5  
Capital/startup costs – Not applicable  
Salary - \$4,500  
Clerical & filing costs – \$450  
Overhead – \$500  
Total - \$5,450

Total estimate of annual cost for all forms  
Capital/startup costs – Not applicable  
Salary - \$50,850  
Clerical & filing costs – \$5,085  
Overhead – \$4,595  
Total - \$61,530

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

TTB Form 5200.3  
Printing & Distribution - \$100  
Salary(review, inspection,  
Supervisory) - \$4,500  
Clerical & filing costs – \$450  
Overhead – \$500  
Total - \$5,550

TTB Form 5230.4  
Printing & Distribution - \$1,000  
Salary(review, inspection,  
Supervisory) - \$648,000  
Clerical & filing costs – \$64,800  
Overhead – \$71,280  
Total - \$785,080

TTB Form 5200.16  
Printing & Distribution - \$100  
Salary(review, inspection,  
Supervisory) - \$450  
Clerical & filing costs – \$45  
Overhead – \$50  
Total - \$645

TTB Form 5230.5  
Printing & Distribution - \$300  
Salary(review, inspection,  
Supervisory) - \$36,000  
Clerical & filing costs – \$3,600  
Overhead – \$4,000  
Total - \$43,900

Total Printing & Distribution - \$1,500  
Total Salary – \$688,950  
Clerical & filing costs – \$68,895  
Overhead – \$75,830

Total estimate of Federal government's cost for all forms - \$835,175

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

No program changes or adjustments are associated with this collection.

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.