

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0090

TTB F 5000.25 Excise Tax Return – Alcohol and Tobacco (Puerto Rico)

A. JUSTIFICATION

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

TTB is responsible for the collection of the excise taxes on distilled spirits, wine, beer, cigars, cigarettes, chewing tobacco, snuff, roll-your-own, and cigarette papers and tubes imposed by 26 U.S.C. Chapters 51 and 52. 26 U.S.C. 7652 applies these taxes to articles of merchandise of Puerto Rican manufacture. 26 U.S.C. 5061(a) and 26 U.S.C. 5703(b), requires that TTB collects these taxes on the basis of a return.

The following sections of regulations (27 CFR) prescribe the use of TTB F 5000.25, Excise Tax Return - Alcohol and Tobacco (Puerto Rico):

26.81	26.110	41.105
26.96	26.112	41.112
26.105	26.113	

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

The information requested on the return is necessary to establish the taxpayer's identity, the amount and type of taxes due, and the amount of payments made. TTB has used and will continue to use this information to determine whether the taxpayer has paid the correct amount of tax and to take additional action, such as collection or refund, where the amount paid does not equal the amount that should be or is shown on the return. TTB examines each return at least once. Additional examination is often performed by TTB during on-site examinations of the taxpayer.

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?

The use of information technologies will not significantly reduce the burden and probably not be cost effective. The information required on TTB F 5000.25 is minimal and, for the most part, is unique to a particular period of time for each taxpayer.

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?

TTB F 5000.25 collects information that is pertinent to each taxpayer and applicable to his/her specific return. As far as we can determine, similar information is not available anywhere else.

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

This information collection does not have a significant impact on a substantial number of small businesses or other small entities. However, TTB allows small wineries with tax payments of less than \$1,000 or less annually to file one return each year, instead of semimonthly returns.

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 return is essential to TTB's collection responsibilities. TTB already allows some taxpayers to file this return once annually, any less frequent filing would result in no collection at all. The absence of this information would seriously jeopardize TTB's excise tax collection on alcohol and tobacco.

7. Are there any special circumstances associated with this information collection?

There are no special circumstances associated with this collection.

8. What effort was made to notify the general public about this collection of information?

A 60-day notice was published in the Federal Register (73 FR 64397) on Wednesday, October 29, 2008. The notice solicited comments from the general public. TTB received no comments in response to this notice.

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; however, the confidentiality of the information collected on this form is protected by 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?

There is no change in burden from the previous submission. 24 (respondents) 6 file quarterly and 18 file 25 times annually ( $6 \times 4 = 24$  and  $18 \times 25 = 450$  for a total of 474).  $474 \times .25$  minute (time it takes to complete form) = 119 (total burden hours).

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

The estimated total annual cost burden associated with this collection is 4,065.

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

Estimates of annual cost to the Federal Government are as follows:

Printing	\$ 1,000
Distribution	1,000
Clerical Cost (filing)	25,000
Other Salary (examination, Supervisory, etc.)	1,255,000
Overhead	<u>125,500</u>
Total	\$1,407,500

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 no program change or adjustment reported in Items 13 or 14 of the OMB Form 83-I.

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.