

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0027

TTB F 5200.14 Taxable Articles Without Payment of Tax

A. JUSTIFICATION

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

A tobacco manufacturer or an export (tobacco) warehouse proprietor can transfer, without payment of a tax, tobacco products and cigarette papers and tubes, to the bonded premises of another manufacturer or export warehouse proprietor. Tobacco manufacturers or export warehouse proprietors may remove tobacco products, without payment of tax, for shipment to a foreign country or consumption beyond the jurisdiction of the Internal Revenue laws of the United States. Manufacturers and proprietors of export warehouses or customs manufacturing warehouses are allowed to ship taxable articles without payment of tax to duty-free stores (class 9 customs bonded warehouses). The tobacco manufacturer and export warehouse are permitted to make this transfer in accordance with 26 U.S.C. 5704.

The tobacco manufacturer or export warehouse proprietor is liable for the tax on tobacco products until execution of the certification by Customs or an authorized receiving officer on TTB F 5200.14, which indicates verification of export or bonded transfer. The form accurately identifies the tobacco products involved and their disposition in accordance with 26 U.S.C. 5722 and 5741.

The authority to prescribe these requirements is found in the following regulations:

27 CFR 44.198	27 CFR 44.205	27 CFR 44.256	27 CFR 44.263
27 CFR 44.199	27 CFR 44.206	27 CFR 44.257	27 CFR 44.264
27 CFR 44.200	27 CFR 44.207	27 CFR 44.258	27 CFR 44.264a
27 CFR 44.201	27 CFR 44.207a	27 CFR 44.259	27 CFR 44.265
27 CFR 44.202	27 CFR 44.208	27 CFR 44.260	27 CFR 44.266
27 CFR 44.203	27 CFR 44.210	27 CFR 44.261	27 CFR 44.267
27 CFR 44.204	27 CFR 44.213	27 CFR 44.262	

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

TTB collects the information on TTB F 5200.14 to ensure that TTB protects the revenue and promotes compliance with the law and regulations. TTB gathers information about the specific activities listed on TTB F 5200.14 to monitor taxable articles. For example, TTB examines these forms with manufacturers' and proprietors' periodic reports and to ensure export or destruction has occurred. TTB may assess taxes on tobacco products and cigarette papers and tubes listed on TTB F 5200.14 that are incomplete and do not evidence proof of export or destruction. Also, TTB examines and verifies entries so that unusual activities, errors, and omissions may be identified and follow-up action may be taken to protect the Government's revenue.

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 collection and maintenance 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?

TTB F 5200.14 collects information that is pertinent to each respondent and applicable to his/her 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?

All entities, regardless of size, are required to provide this information to protect the revenue. This requirement cannot be waived simply because the respondent's business is small. However, this collection of information does not have a significant impact on a substantial number of small businesses or other entities.

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 timely action when it receives this information.

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?

TTB estimated the number of respondents (272) and the number of forms filed annually (220) by each are based on historical data and input from field office personnel who process this form. TTB estimate the average number of hours per response is 1 hour. The total burden hours are 59,840.

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	\$ 5,000
Distribution	2,500
Clerical Cost	50,000
Other Salary (review by specialist, etc.)	180,000
Overhead	<u>20,000</u>
Total	\$257,500

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 not to 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.