

Supporting Statement
Importers of Merchandise Subject to Actual Use Provisions
1651-0032

Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

General Note 8 of the Harmonized Tariff Schedule of the United States (HTSUS) authorizes the Secretary of the Treasury to issue regulations governing the admission of imported articles, and makes any importer's claim for relief from duty subject to compliance therewith. 19 CFR 10.137 requires importers of goods subject to actual use provisions of the HTSUS to maintain detailed records of disposition of the goods to establish that these goods were actually used as contemplated by the law and to support the importer's claim for a free or reduced rate of duty. The importer shall maintain records of use or disposition for a period of 3 years from the date of liquidation of the entry, and the records shall be available at all times for examination and inspection by an authorized the Customs and Border Protection (CBP) officer pursuant to 19 CFR 10.137.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection .**

19 U.S.C. Section 1508 imposes Record Keeping requirements upon any owner, importer, consignee importer of record, entry filer, or other party who imports merchandise into the United States, files a drawback claim, or transports or stores merchandise carried or held under bond, or knowingly causes the importation or transportation or storage of merchandise carried or held under bond, or any agent of any of the above described parties, or any person whose activities require the filing of a declaration or entry or both. Pursuant to 19 U.S.C. Section 1509, CBP has the authority to examine any records necessary for determining liability of any person for duties, fees and taxes due. 19 CFR 10.137 provides for the examination of records by an authorized customs officer. Proof of use is required if the importer is to obtain the benefit of the actual use provision as explained in 19 CFR 10.138. If the importer does not submit proof of use within 3 years, the entry will be liquidated dutiable. The actual use provisions are of benefit to the farmer, small businesses, manufacturers, and special interest groups.

3. **Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden .**

This is a recordkeeping requirement so electronic submission is not appropriate for this information collection.

4. **Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

This information is not duplicated in any other place or any other form.

5. **If the collection of information impacts small businesses or other small entities (Item 5 of the OMB Form 83-I), describe any methods used to minimize burden.**

This information collection does not have an impact on small businesses or other small entities.

6. **Describe consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently.**

Since each entry is a separate transaction, importers can not import goods free of duty if this information was collected less frequently.

7. **Explain any special circumstances that would cause an information collection to be conducted in a manner:**

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

8. **If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

Public comments were solicited through two Federal Register notices published on February 2, 2009 (Volume 74, Page 5846) and on May 21, 2009 (Volume 74,

Pages 23878-23879). No comments were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There is no offer of a monetary or material value for this information collection.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

There are no assurances of confidentiality provided to the respondents of this information collection.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

INFORMATION COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
Importers Subject to Actual Use Provision	13,000	12,000	1	12,000	65 minutes 1.083 hours

Public Cost

The estimated cost to the respondents is \$260,000.00. This is based on the estimated burden hours (13,000) multiplied (x) hourly rate (\$20.00).

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

- 14. Provide estimates of annualized cost to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.**

The estimated annual cost to the Federal Government associated with the review of these records is **\$105,000**. This is based on the number of responses (12,000) that must be verified for the special provisions, the number of hours 15 minutes (.25 hours) to verify the importations and the average salary cost (\$35.00 per hour).

- 15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.**

There has been no increase or decrease in the estimated annual burden hours previously reported for this information collection.

- 16. For collection of information whose results will be published, outline plans for tabulation, and publication.**

This information collection will not be published for statistical purposes.

- 17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.**

CBP will display the expiration date for OMB approval of this information collection.

- 18. "Certification for Paperwork Reduction Act Submissions."**

CBP does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods

No statistical methods were employed.