



Regulations in 27 CFR 19.151 and 19.186 require that any person who intends to establish a DSP or succeed to the proprietorship of an existing DSP must, before commencing operations, make application and receive notice of registration on TTB F 5110.41 (ref. 27 CFR 19.154 and 19.155). That form serves essentially as a transmittal document for the supporting documents.

The proprietor is also required to submit TTB 5110.41 to amend their registration when any of the following changes occur:

- Physical security (27 CFR 19.153(b));
- Information shown on the registration (27 CFR 19.180);
- Name of the proprietor (27 CFR 19.182);
- Officers or directors (27 CFR 19.185);
- Location (27 CFR 19.189);
- Premises (27 CFR 19.190);
- Operations (27 CFR 19.191);
- Production procedures (27 CFR 19.192);
- Construction or use of buildings and equipment (27 CFR 19.193);
- Permanent discontinuance of operations (27 CFR 19.211);
- Stockholders (27 CFR 19.184) although the final section provides the alternative of annual reporting if desired.

Persons file TTB F 5110.41 with TTB National Revenue Center (NRC) where the form and its attachments are carefully examined by specialists for conformity with applicable law and regulations. Before the notice is approved, it is generally referred to field personnel for verification.

b. Requests for variances from requirements.

Our specialists, who frequently work with the analysis and recommendations of our investigators, use the notices and requests for variances from regulations to determine whether the proposed variation jeopardizes the revenue, creates undue administrative problems, or is contrary to the law.

Under provisions of 27 CFR 19.75, a proprietor may be required to submit a schedule of operations if the Director, NRC has determined that the protection of the revenue requires the supervision by a TTB officer. This schedule would enable our agency to know when the officer ought to be present.

c. Requests and notices by non-DSP proprietors.

Various sections of law and regulations require that persons other than DSP proprietors submit notices or applications related to DSP activities. These

requirements include the following sections:

- 27 CFR 19.66 provides for an application by one who wishes to establish an experimental DSP. The information required in the application allows us to identify the applicant and location of the premises, determine whether the applicant is qualified under 26 U.S.C. 5312(b), and determine the potential tax liability to be covered by bond.
- 27 CFR 19.67 provides for an application by one who produces non-potable spirits in an industrial process for waiver of the requirements of 26 U.S.C. Chapter 51. The application allows us to identify the applicant and determine the eligibility for waiver of those requirements in accordance with 26 U.S.C. 5201(b).
- 27 CFR 19.71 provides for an application by a scientific institution or college of learning to produce, receive, blend, treat, test or store distilled spirits for experimental or research use in accordance with 26 U.S.C. 5312(a). The information on the application allows us to identify the applicant and determine its qualifications.
- 27 CFR 19.250 provides for a notice by a surety for any bond required by Part 19 to be relieved of liability. The notice merely notifies us of the termination of liability so that appropriate action may be taken to protect the revenue. (See also 27 CFR 19.251.)
- 27 CFR 19.533 provides that a scientific institution or college of learning qualified under 27 CFR 19.71, above, must submit a request to withdraw spirits free of tax from a DSP. The approved request constitutes the authorization for the DSP to remove the spirits free of tax.

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?

We have approved, and will continue to approve on a case-by-case basis, the use of improved technology for the maintenance of required records; however, we do not believe that the miscellaneous notices and requests prescribed in Part 19 are

adaptable to advanced data technology.

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 5110.41 collects information that is pertinent to each respondent and applicable to his/her specific operation. The request and notices provides information that is pertinent to each respondent and applicable to his/her specific operation. 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 collection of information is not susceptible to reduced requirements for small businesses.

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?

Without these collections of information, relating to qualification requirements, we would have no procedure for fulfilling our statutory mandate to issue permits for authorized distilled spirits operations. Without the collections of information relating to alternate procedures, variances, and waivers, we would have no procedure for allowing any method or activity not specifically prescribed by regulations, and the industry would be without the flexibility accorded thereby.

We believe the frequency of collection is at the minimum necessary for fulfillment of our statutory responsibilities.

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 notice was published in the Federal Register (74 FR 26920) on Thursday, June 4, 2009. 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?

These collections of information are maintained at the NRC in secure file rooms with controlled public access. Moreover, 26 U.S.C. 6103 protects the confidentiality of the information collected.

11. What justification is there for questions of a sensitive nature?

We do not ask questions of a sensitive nature in this collection.

12. What is the estimated hour burden of this collection of information?

The estimated total burden of 1,888 hours imposed by these collections of information is described below and is based on experience of our personnel who have been closely involved in assisting industry members to prepare this information.

a. Original applications for registration normally require a full 8-hour day to complete, but the Bureau usually receives no more than ten such applications a year. ( $10 \times 8 = 80$ ) Amended applications, on the other hand, are submitted in skeletal form only and require approximately 2 hours to complete. Each of the DSPs will normally submit an average of 1.9 such responses each year. ( $328 \times 1.9 = 623 \times 2 = 1,246$ ) The burden imposed by Part 19's registration requirements is estimated at 1,326 hours ( $80 + 1,246$ ).

b. Requests for variances from regulatory requirements require, on the average, approximately 1.2 hours to prepare, and each DSP will, on the average, submit 1.3 such requests per year. ( $328 \times 1.3 = 426 \times 1.2$ )

The burden for these requirements is therefore estimated at 512 hours.

c. The Bureau normally receives approximately 50 requests each year from persons who are not DSP proprietors. Each such request or notice requires approximately one hour to prepare and the burden imposed by these requirements is therefore estimated at 50 hours. ( $50 \times 1$ )

There is no change in burden from the previous.

$12a \ 10 + 623 = (633) + 12b \ (426) + 12c \ (50) = 1,109$  (responses) and  
 $12a \ 80 + 1,246 = (1,326) + 12b \ (512) + 12c \ (50) = 1,888$  (total burden hours).

There are 2 ICs for the form (a) and 1 each for the Variances/Notices (b and C).

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 annualized costs to the Federal Government are presented in the table below for TTB F 5110.41. There is no cost to the Federal Government for the various letterhead notices required.

Printing	\$ 700
Distribution	80
Clerical Costs	60
Other Salary Costs (review, supervision, etc.)	<u>400</u>
Total Cost	\$1,240

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

There are no program changes or adjustments associated with this collection.

16. Outline plans for tabulation and publication for collections of information whose results will be published.

The results of this collection will not be published.

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. Collection of Information Employing Statistical Methods**

This collection does not employ statistical methods.