

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0016

TTB F 5120.24 Drawback on Wines Exported

A. JUSTIFICATION

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

The Internal Revenue Code of 1986, in 26 U.S.C. 5062, provides that exporters of taxpaid wine, may claim “drawback” in the amount of the federal tax that was found to have been paid or determined on such wine. Section 5062 authorizes the Secretary of the Treasury to prescribe regulations to administer allowance of drawback.

The regulations covering the use of this form are in 27 CFR 28.211, 27 CFR 28.212, 27 CFR 28.214, and 27 CFR 28.218.

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

The exporter who files TTB F 5120.24 may be a bonded wine cellar, taxpaid wine bottling house, or holder of a wholesaler's basic permit issued under the Federal Alcohol Administration Act. The exporter prepares TTB F 5120.24 once, then uses it to notify TTB of a shipment, to obtain certification from a Customs officer that the wine was exported, and finally to submit a claim for credit or refund of the tax.

TTB employees use the form to protect the revenue. Specifically, TTB employees at our National Revenue Center use the form filed by the exporter to assure that the wine is eligible for drawback and that proper evidence of exportation is submitted. TTB also uses the form to compute drawback and determine whether to issue a refund or a credit. TTB auditors or investigators may review the file copy of the form retained by the importer during an audit or investigation.

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 records. However, the Bureau does not believe that TTB F 5120.24 is adaptable to improved technological systems since each application provides information that is unique to the individual transaction.

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?

The form contain information collected that is pertinent to each respondent and applicable to his/her specific drawback eligibility. As far as we can determine, similar information is not available elsewhere.

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

The collection of information does not have a significant impact on a substantial number of small businesses or other entities. All entities, regardless of size, must show proof of export in order to obtain drawback of tax. The requirement cannot be waived simply because the respondent's business is small.

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?

This collection provides supporting information to enable TTB to grant drawback of taxes. If the collection is not conducted, TTB can not protect the revenue or verify the exporter's eligibility for drawback.

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 Tuesday, September 18, 2009, 74 FR 47990. 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, however, 5 U.S.C. 552 and 26 U.S.C. 6103 protect the confidentiality of the information collected.

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?

21 (respondents) X 4 (times filed annually) = 84 (responses) X 1 hour and 7 minutes (processing time) = 5,628/60 = 94 (total burden hours). There is no change in the burden from the previous submission.

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?

There is no change in the cost to the Federal Government. The cost of \$3,086 includes the cost for printing, distribution, clerical cost and salaries (review, supervisory, etc.).

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 information 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. Collection of Information Employing Statistical Methods

This collection does not employ statistical methods.