

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement – Information Collection Requirement

OMB Control Number 1513–0038

TTB F 5100.16 Application to Receive Spirits and/or Denatured Spirits by Transfer in Bond

A. Justification

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

TTB F 5100.16 is used as an application to receive distilled spirits in bond as required by 26 U.S.C. 5005(c)(1) and prescribed by 27 CFR 19.505, 19.506, 19.509, 19.686, and 19.998. The form notifies TTB that a distilled spirits plant (DSP) intends to receive spirits in bond. A DSP receiving spirits in bond becomes liable for the tax on those premises from which they are shipped. TTB F 5100.16 helps ensure adequacy of bond coverage.

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

The information provided on the form is used by TTB to check for the sufficiency of the bond for the plant receiving the spirits to ensure that bond coverage is adequate before approving the application to transfer. One copy of the approved application is forwarded to the plant shipping the distilled spirits and serves as their authority to transfer distilled spirits to the company named in the application.

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?

This report is a statutory requirement with information that is always unique to the particular applicant and to the particular circumstances under which the application is being filed. Currently, distilled spirits plants may apply for permission to use alternate methods or procedures, including the use of information technology, and TTB may approve such applications when the proposal would not jeopardize the revenue, violate any statute, nor cause administrative difficulties.

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?

This information collection provides information that is pertinent to each respondent and applicable to his/her specific transfers. 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 statute does not discriminate between large and small distilled spirits plants on filing applications to receive spirits in bond. It is equally important to protect the tax liability incurred by small, as well as by large, plants. The information requested is necessary to determine if the proprietor has adequate bond coverage and cannot be minimized solely on the bases that the 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 is a statutorily imposed requirement and TTB does not have the legal option of not conducting the collection. Further, without the information that TTB F 5100.16 provides, TTB would not have a good means to make sure that there is sufficient bond coverage to cover the tax liability on spirits shipped from a distilled spirits plant. To allow a plant to receive distilled spirits without first checking the sufficiency of the bond would jeopardize the revenue.

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 Wednesday, July 29, 2009, 74 FR 37770. 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 information 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, 26 U.S.C 6103 protects the confidentiality of the information collected on this form.

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?

Completion of this form should take the taxpayer an average of approximately 12 minutes to complete. Prior experience indicates that 1,500 of these forms are processed annually, and each of the 250 respondents will forward 6 of these forms per year. Thus, the annual burden is 300 hours. There is no change in 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?

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

Printing	\$ 110.00
Distribution	50.00
Clerical costs	230.00
Other Salary (review, supervisory etc.)	<u>70.00</u>
Total	\$ 460.00

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.