

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0030

TTB F 5620.8 Claim – Alcohol, Tobacco and Firearms Taxes

A. JUSTIFICATION

1. What are the circumstances that make this collection of information necessary and what legal or administrative requirements necessitate the collection? Also include the following: Align the information collection to Treasury's Strategic Goals, Line of Business/Sub-function, and IT Investment, if one is used.

Changes in this supporting statement reflect changes to section numbers as recodified in the final rule for the revision of part 19 of the TTB regulations. (See TTB Notice No. 83, T.D. TTB 92)

When distilled spirits, wine, beer, tobacco products or firearms are lost or destroyed, either by theft or in some other manner, the taxpayer may file a claim for relief of the tax on TTB F 5620.8. The Secretary of the Treasury, by authority of 26 U.S.C. 5008, 26 U.S.C. 5056, 26 U.S.C. 5705, and 26 U.S.C. 5370 requires that the taxpayer file a claim for relief of the tax along with proof as to the cause of the loss. If the loss appears to be a result of theft, the proprietor or person responsible for the tax, must establish to the Secretary that the loss was not the result of negligence, fraud, or collusion. Taxpayers also file claims to request a refund or abatement of taxes excessively or erroneously collected as provided by 26 U.S.C. 6404.

Currently, taxpayers with businesses regulated by TTB use TTB F 5620.8, Claim – Alcohol, Tobacco, and Firearms Taxes, to seek either a refund of taxes paid or an abatement of taxes assessed. Below is a list of the situations in which TTB F 5620.8 is used:

- a. Allowance of loss – discharged of potential tax liability before tax payment or assessment.
- b. Allowance of tax – when product, after removal from factory or prior to payment of tax, is lost or destroyed by fire, flood, etc., and is still under title to the manufacturer.
- c. Remission of tax – a mistake was made in calculation or there was a cancellation of tax prior to determination of payment.
- d. Credit of tax – tax already paid is applied to next tax return or to reduce a current tax liability.
- e. Abatement of tax – taxpayer is released from tax liability before he/she pays the assessment.

- f. Refund of tax - Refund of tax erroneously or excessively collected (includes special (occupational) tax).
- g. Drawback of tax – similar to a refund. Nonbeverage claimants request a partial remittance for taxes paid on distilled spirits used in the production of medicines, food products, and flavoring extracts which are unfit for beverage use.

The Secretary gives the authority to require a claim in the following regulations.

27 CFR 17.141, 142;

27 CFR 19.262, 263, 264, 265, 266, 269, 452, 462, 464;

27 CFR 20.202, 203, 204, 205;

27 CFR 24.65, 69;

27 CFR 25.224, 225, 281, 282, 283, 285, 286;

27 CFR 26.173, 306, 307, 308, 309, 310;

27 CFR 28.303, 310, 315, 317;

27 CFR 31.201, 202, 203;

27 CFR 40.281, 282, 283, 284, 286, 287, 301, 313; 471, 472, 473, 474;

27 CFR 41.161, 162, 163, 165;

27 CFR 44.152, 153, 154;

27 CFR 46.5, 6, 7, 8, 74, 75, 76, 77;

27 CFR 53.171;

27 CFR 70.121, 122, 123, 124, 125, 127;

This information collection is aligned with:

Treasury Strategic Goal: Effectively Manage U.S. Government Finances.

Line of Business/Sub-function: General Government/Taxation Management.

IT Investment: Tax Major Application Systems.

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

TTB F 5620.8 is used by the claimant to show the basis for credit, remission, or allowance of tax on lost taxable articles (spirits, wine beer, tobacco products, or firearms). TTB F 5620.8 is also used to show the basis for a refund or abatement of tax that was excessively or erroneously collected. The form is submitted, along with supporting documentation, to indicate the reason a credit or refund of Federal tax should be made to a claimant. Information pertaining to all claims is reported on monthly and annual reports.

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 F 5620.8 is a statutory requirement with information collected that is pertinent to the respondent only. Respondents must complete the form and provide supporting documentation to substantiate the claim. TTB will consider on a case-by-case basis the use of improved 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 5620.8 contains information collected that is pertinent to each respondent and applicable to the specific issue of filing a claim for the return of Federal taxes. 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?

All entities, regardless of size, are required by statute to file a claim to substantiate their loss. This information collection is required in order to determine if a refund or abatement is necessary. The burden is minimized by limiting the collection of information to that which is necessary to protect the revenue. It 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?

If TTB did not collect this information and did not have an adequate number of personnel in the field to verify the claims, TTB could possibly refund money to ineligible claimants. This would pose jeopardy to the revenue.

7. Are there any special circumstances associated with this information collection that would require it to be conducted in a manner inconsistent with OMB guidelines?

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? Summarize the public comments that were received and describe the action taken by the agency in response to those comments.

A NPRM for the revision to part 19 was published on May 8, 2008 (73 FR 26200). In response to Notice No. 83, TTB received 7 comments. Six of the comments expressed strong support for the revisions to part 19 and commented on specific areas of agreement and recommendations for further changes. The comments were supportive of efforts to reduce burden of forms by allowing letterhead applications and notices. No comments were opposed to changes that are affected by this information collection. As a result, a final rule was published (76 FR 9080, February 16, 2011) to reflect the changes that were proposed in Notice No. 83.

A 60-day Federal Register notice was published for this information collection on Monday, June 09, 2011, 76 FR 33811. 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 remuneration 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 5 U.S.C. 552 and 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?

There has been no change in the burden hours for this form. The burden continues to be one hour for the one TTB F 5620.8 filed annually by the 10,000 respondents.

13. What is the estimated total annual cost burden to respondents or recordkeepers resulting from this collection of information (excluding the value of the burden hours in Question 12 above)?

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	\$	350
Distribution	\$	525
Clerical Cost	\$	96,500
Other Salary (review, supervisory, etc.)	\$	69,500
Total		\$166,875

15. What is the reason for any program changes or adjustments?

No program changes or adjustments are associated with this collection. The revision is being made to incorporate final rule 27 CFR Parts 1, 17, 19, et al., *Revision of Distilled Spirits Plant Regulations* (February 16, 2011, at 75 FR 9080) with this information collection. The rule modernized requirement for operating distilled spirits plants and included a number of operational changes (renumbering) to improve the layout of the regulatory text.

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?

(c) See item 5 above

(i) No statistical survey methodology is involved

(j) See item 3 above

B. Collections of Information Employing Statistical Methods.

This collection does not employ statistical methods.