

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU  
Supporting Statement - Information Collection Request

OMB Control Number 1513-0115

TTB REC 5120/1 Usual and Customary Business Records Relating to Wine

**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.

Wineries and taxpaid wine bottling houses are required by 26 U.S.C. 5367, 5369, 5370, and 5555 to keep such records as the Secretary of Treasury may provide in regulations. The regulations in 27 CFR Part 24, implement recordkeeping requirements required by Federal law.

This submission covers 27 CFR Part 24 regulations which require the collection of usual and customary business record information, including purchase invoices, internal records controlling the flow of materials/ingredients through fermenting, processing, packaging, storing, and shipping operations, and sales invoices.

TTB believes that regulated individuals could not succeed in business without maintaining these kinds of records which control the purchase and use of materials/ingredients and all of the steps of manufacture and sale of wine.

Accordingly, the following recordkeeping requirements are consolidated in 1 submission covering usual and customary business records relating to wine:

27 CFR:

24.32	24.226	24.283	24.304	24.315
24.77	24.230	24.284	24.305	24.316
24.96	24.231	24.291	24.306	24.317
24.136	24.232	24.292	24.307	24.318
24.170	24.237	24.294	24.308	24.319
24.176	24.241	24.295	24.310	24.320
24.180	24.249	24.300	24.311	24.322.
24.184	24.255	24.301	24.312	
24.197	24.281	24.302	24.313	
24.213	24.282	24.303	24.314	

This information collection is aligned with:

Treasury Strategic Goal: NONE.

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

IT Investment: NONE.

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

These records are maintained by the regulated individual at their business premises and are routinely inspected by TTB personnel. The maintenance and inspection of these records protects the revenue.

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 maintenance of required records.

4. What efforts are used to identity duplication? Why can't any similar Information already available be used or modified for use for the purposes described in Item 2 above?

The information collection request requires records that are pertinent to each recordkeeper. 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?

We consider these recordkeeping requirements to be the minimum necessary to ensure compliance. The standards cannot be reduced for small business.

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?

In the absence of this integrated system of records or less frequent collection of this information, TTB could not accurately verify payment of taxes, which would pose jeopardy to the revenue and reduce TTB's ability to determine compliance with provisions of the Internal Revenue Code relating to wine production.

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

No special circumstances are associated with the recordkeeping requirement.

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 60-day Federal Register notice was published for this information collection on Tuesday, February 23, 2012, 77 FR 10805. 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 for records maintained by the proprietor; however, the confidentiality of the information taken from these records is protected by 26 U.S.C. 6103.

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

No questions of a sensitive nature are asked.

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

These recordkeeping requirements involve usual and customary business records. It is estimated that 4,676 respondents will maintain these records. These records should take an average of .10 hour per applicant to compile for TTB inspection, for a total of 468 hours.

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. These are usual and customary business records that the proprietor keeps as a normal part of doing business.

14. What is the annualized cost to the Federal Government?

There is no cost to the Federal Government for the maintenance of usual and customary business records.

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

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.

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 are seeking approval not to display the expiration date for OMB approval for this collection because these are usual and customary records that the proprietor maintains at their premises, and, unlike the form, there is no medium on which to place the expiration date.

18. What are the exceptions to the certification statement?

- (c) See item 5 above
- (i) No statistics involved
- (j) See item 3 above

**B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS**

This collection does not employ statistical methods.