

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement – Information Collection Requirement

OMB Control Number 1513-0082

TTB REC 5170/7      Alternate methods or procedures and emergency variations from requirements for exports of liquors

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.

Congress enacted 26 U.S.C. 7805 to require the Secretary of Treasury to implement the Internal Revenue Code by promulgating regulations. However, it is sometimes necessary to consider authorizing activities which were not anticipated when the regulations were last revised. Often, these activities are not contrary to regulations, but are not specifically authorized. To give regulated industry flexibility and the opportunity to innovate, our regulations contain procedures for obtaining variances. We have provided in 27 CFR Part 28, Exportation of Liquors, a regulation that allows exporters of liquors to apply for and receive approval of variances from the requirements of regulations. Under 27 CFR 28.20, an exporter may propose an alternative method for approval if the method provides equal protection to the revenue and does not pose a burden in administering part 28.

This information collection is aligned with:

Treasury Strategic Goal: US & World Economies perform at full performance potential.

Line of Business/Sub-function: Law Enforcement/Substance Control.

IT Investment: Regulatory Major Application Systems.

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

These applications are used by our officials to decide whether to approve a request for an alternative method or procedure or emergency variation, including to ensure that the exporter's proposed alternative method or procedure or variation will provide equal protection to the revenue and will not pose a burden in administering part 28. These letterhead applications help to protect the revenue while affording exporters the maximum operational flexibility. Approved variances are also periodically reviewed by TTB to identify areas where the regulations should be changed. Our field personnel use the information as a means to ensure operations are in compliance and that the revenue is protected.

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 source records; however, we do not believe

that the miscellaneous notices and requests prescribed in part 28 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?

This information collection 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 elsewhere.

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 business, however, it is noted that this collection of information permits small businesses to request alternative methods or procedures from those specified in other sections of part 28 which may be less burdensome than the established method or procedure.

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?

Respondents complete this information only as often as they deem necessary. If this collection was not conducted, respondents would not be able to conduct new innovative operations not covered in TTB regulations or vary from existing regulatory requirements.

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 60-day Federal Register notice was published for this information collection on Friday, November 9, 2012, 77 FR 67442. 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?

Internal Revenue Code, section 6103, (26 U.S.C. 6103) protects 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?

There is no new burden associated with this collection. There are 500 respondents and responses and it takes 24 minutes per response (includes applying for alternative procedure and maintaining a record of each approval). The total burden hours are 200.

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?

There is no cost to the Federal Government.

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

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?

It would be inappropriate to display the expiration date for OMB approval because this request is a letterhead application submitted by the proprietor. Therefore, unlike the form, there is no medium to display the expiration date.

18. What are the exceptions to the certification statement?

(c) See item 5 above

(f) This is not a recordkeeping requirement collection; the retention period of source records that develop when preparing request for variances are normally included the approval.

(i) No statistics are involved

(j) See item 3 above

**B. Collection of Information Employing Statistical Methods**

This collection does not employ statistical methods.