

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? 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.

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 19.403, 19.404, 19.405, 19.406, 19.620, 19.621, and 19.733. 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.

Changes in this supporting statement reflect changes to section numbers as recodified in the final rule (T.D. TTB-92, 76 FR 9080) for the revision of part 19 of the TTB regulations. (See also TTB Notice No. 83)

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?

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. Also, this form may be filled out on TTB.gov and submitted manually or submitted electronically using PONL. Forty-eight percent file via PONL.

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 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. No comments were opposed to changes that are affected by this information collection. A final rule (T.D. TTB-92, 76 FR 9080) was published to reflect the changes that were proposed in Notice No. 83, including a change to section numbers relevant to this collection.

A 60-day Federal Register notice was published for this information collection on Wednesday, 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 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 228 hours.

| | No. of Respondents | No. Responses Per Respondent | Annual Responses | Hours Per Response | Total Burden |
|---------------|--------------------|------------------------------|------------------|--------------------|--------------|
| PAPER | 130 | 6 | 780 | .2 | 156 |
| PONL | 120 | 6 | 720 | .1 | 72 |
| Totals | 250 | 6 | 1,500 | 0.15 | 228 |

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 and Distribution..... | \$ 150.00 |
| Clerical costs..... | 230.00 |
| Other Salary (review, supervisory etc.)..... | <u>70.00</u> |
| Total..... | \$ 450.00 |

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

There is a program change associated with this collection. This form has been added to the PONL system and has generated a slight decrease in the burden hours because it takes less time to complete and submit this form on PONL than it does manually.

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?

- (c) See answer 5 above.
- (f) This is not a recordkeeping requirement.
- (i) No statistics are involved.

B. Collection of Information Employing Statistical Methods

This collection does not employ statistical methods.