

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

OMB Control Number 1513-0016

TTB F 5120.24 Drawback on Wines Exported

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.

The Internal Revenue Code of 1986, in 26 U.S.C. 5062(b), provides in general that exporters of taxpaid wine, may claim "drawback" in the amount of the federal tax that was found to have been paid or determined on such wine. Section 5062 authorizes the Secretary of the Treasury to prescribe regulations to administer allowance of drawback.

The regulations covering the use of this form are in 27 CFR 28.211, 27 CFR 28.212, 27 CFR 28.214, and 27 CFR 28.218.

This information collection is aligned with:

Treasury Strategic Goal: Effective Manage of 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?

The exporter who files TTB F 5120.24 may be a bonded wine cellar, taxpaid wine bottling house, or holder of a wholesaler's basic permit issued under the Federal Alcohol Administration Act. The exporter prepares TTB F 5120.24 once, then uses it to notify TTB of a shipment, to obtain certification from a Customs officer that the wine was exported, and finally to submit a claim for credit or refund of the tax.

TTB employees use the form to protect the revenue. Specifically, TTB employees at our National Revenue Center use the form filed by the exporter to assure that the wine is eligible for drawback and that proper evidence of exportation is submitted. TTB also uses the form to compute drawback and determine whether to issue a refund or a credit. TTB auditors or investigators may review the file copy of the form retained by the importer during an audit or investigation.

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 will review and approve, on a case-by-case basis, the use of improved information technology for the collection of information to complete this form.

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?

The form collects information that is pertinent and specific to each respondent and applicable to his/her specific drawback eligibility. 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 collection of information does not have a significant impact on a substantial number of small businesses or other entities. All entities, regardless of size, must show proof of export in order to obtain drawback of tax and the information requested is the minimum necessary to protect the revenue. The requirement 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?

This collection provides the minimum information necessary for TTB to grant drawback of taxes paid or determined. If the collection is not conducted, TTB can not protect the revenue by verifying the exporter's eligibility for drawback.

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?

A 60-day notice was published in the Federal Register (78 FR 4589) on Tuesday, January 22, 2013. The notice solicited comments from the general public. TTB received no comments in response to this notice.

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, however, 5 U.S.C. 552 and 26 U.S.C. 6103 protect 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 an increase in the number of respondents from 21 to 30 since the previous submission:

$30 \text{ (respondents)} \times 4 \text{ (times filed annually)} = 120 \text{ (responses)} \times 1 \text{ hour and 7 minutes (processing time)} = 8,040/60 = 134 \text{ (total burden hours)}$.

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.

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

The cost of \$1,738 includes the cost for printing, distribution, clerical cost and salaries (review, supervisory, etc.).

Printing	\$ 17
Dist	\$ 21
Clerical Cost	\$ 500
Salaries (Review, Supervisory, etc.)	\$ <u>1,200</u>
	\$ 1,738

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

There is an increase in the number of respondents from 21 to 30 since the previous submission; resulting in an increase of 40 hours for a total burden request of 134 hours due to an adjustment.

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.
- (f) This is not a recordkeeping requirement.
- (i) No statistics are involved.
- (j) See item 3 above.

B. Collection of Information Employing Statistical Methods

This collection does not employ statistical methods.