

**SUPPORTING STATEMENT  
FOR PAPERWORK REDUCTION ACT SUBMISSION  
9000-0022, CUSTOMS AND DUTIES**

**A. Justification.**

1. **Administrative requirements.** United States laws impose duties on foreign supplies imported into the customs territory of the United States. Certain exemptions from these duties are available to Government agencies. These exemptions are used whenever the anticipated savings outweigh the administrative costs associated with processing required documentation. When a Government contractor purchases foreign supplies, it must notify the contracting officer to determine whether the supplies should be duty-free. In addition, all shipping documents and containers must specify certain information to assure the duty-free entry of the supplies.

2. **Uses of information.** The contracting officer analyzes the information submitted by the contractor to determine whether or not supplies should enter the country duty-free. The information, the contracting officer's determination, and the U.S. Customs forms are placed in the contract file.

3. **Consideration of information technology.** We use improved information technology to the maximum extent practicable. Where both the Government agency and contractors are capable of electronic interchange, the contractors may submit this information collection requirement electronically.

4. **Efforts to identify duplication.** This requirement is being issued under the Federal Acquisition Regulation (FAR) which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

5. **If the collection of information impacts small businesses or other entities, describe methods used to minimize burden.** The burden applied to small businesses is the minimum consistent with applicable laws, executive orders, regulations, and prudent business practices.

6. **Describe consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently.** Collection of information on a

basis other than solicitation-by-solicitation is not practical.

**7. Special circumstances for collection.** Collection is consistent with guidelines in 5 CFR 1320.6.

**8. Efforts to consult with persons outside the agency.** Under the procedures established for development of the FAR, public comments were solicited and each comment addressed before finalization of the text. A 60 day notice published in the *Federal Register* at 79 FR 18551, on April 2, 2013. No comments were received. A 30 day notice was published in the *Federal Register* at 79 FR 41286, on July 15, 2014. No comments were received.

**9. Explanation of any decision to provide any payment or gift to respondents, other than reenumeration of contractors or guarantees.** Not applicable.

**10. Describe assurance of confidentiality provided to respondents.** This information is disclosed only to the extent consistent with prudent business practices and current regulations.

**11. Additional justification for questions of a sensitive nature.** No sensitive questions are involved.

**12 & 13. Estimated total annual public hour and cost burden.** There is no Governmentwide data collection process or system which identifies the number of duty-free transactions.

Time required to read and prepare information is estimated at 30 minutes per response.

Estimated respondents/yr.....	1,330
Responses annually.....x	<u>10</u>
Total annual responses.....	13,300
Estimated hrs/response.....x	<u>.5</u>
Estimated total burden/hrs.....	6,650
Average wages and overhead (\$30.81 + 36%)... x	<u>\$42*</u>
Estimated cost to public .....	\$279,300

\* We used a rate equivalent to a GS-12, Step 3 or \$30.81/hour (from the 2012 OPM GS Salary Table), added

overhead at 36.25 percent (the OMB-mandated burden rate for A-76 public-private competitions, rounded to 36 percent), and rounded the average wage to the nearest whole dollar, or \$42/hour.

14. **Estimated cost to the Government.** Time required for Governmentwide review is estimated at 30 minutes.

**Annual Reporting Burden and Cost**

Reviewing time/hr.....	.5
Responses/yr.....x	<u>13,300</u>
Review time/yr.....	6,650
Average wages and overhead (\$30.81 + 36%)....x	<u>\$42*</u>
Total Government cost.....	\$279,300

\* We used a rate equivalent to a GS-12, Step 3 or \$30.81/hour (from the 2012 OPM GS Salary Table), added overhead at 36.25 percent (the OMB-mandated burden rate for A-76 public-private competitions, rounded to 36 percent), and rounded the average wage to the nearest whole dollar, or \$42/hour

15. **Explain reasons for program changes or adjustments reported in Item 13 or 14.** This submission requests an extension of OMB approval of an information collection requirement in the FAR. To ensure greater accuracy in Item 12 and to adjust for inflation, adjustments have been made to the average wages category by increasing the hourly wage rate from \$24 to the more appropriate \$30.81, and reducing the 75 percent overhead rate to the standard 36 percent. Similarly, in Item 14, the average wages and overhead category has been adjusted from \$20 and 100 percent to the more appropriate hourly wage of \$30.81 and 36 percent overhead.

16. **Outline plans for published results of information collections.** Results will not be tabulated or published.

17. **Approval not to display expiration date.** Not applicable.

18. **Explanation of exception to certification statement.** Not applicable.

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

Statistical methods are not used in this information collection.