

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
SUPPORTING STATEMENT – INFORMATION COLLECTION REQUEST

OMB Control No. 1513-0113

TTB F 5630.5R - Special Tax "Renewal" Registration and Return/Special Tax Location
Registration Listing

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 statutory section of chapter 52 of 26 U.S.C. authorizes the collection of an occupational tax from persons engaging in certain tobacco businesses. In the Internal Revenue Code, 26 U.S.C. 5276 requires persons to register and/or pay a special (occupational) tax (SOT) before conducting business in certain tobacco categories.

The following are regulatory sections of 27 CFR which implement the above statutory section:

40.31	40.371	44.31
40.32	40.372	44.32
40.33	40.373	44.33
40.34	40.374	44.34
40.35	40.375	44.35
40.36		44.36

This information collection is aligned with:

Treasury Strategic Goal: Effectively Manage US 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?

TTB F 5630.5R is used both to compute and report the tax, and as an application for registry as required by statute. TTB staff will examine the returns to determine whether:

- (a) the return was timely filed;
- (b) the return is mathematically correct;
- (c) the taxpayer has properly registered;
- (d) the taxpayer has accounted for all businesses and any change of the number of locations, or if there has been a change in control of the business;
- (e) the taxpayer has notified TTB that the business has been discontinued; and
- (f) the taxpayer has satisfied his/her full SOT liability.

In the case of a late filed return or an underpayment, we will initiate an assessment of applicable penalties and interest. In addition, TTB field inspectors will upon occasion examine the taxpayers' tax stamps and ensure compliance.

All the information requested on TTB F 5630.5R is essential to the functions of collecting, processing, and accounting for tobacco special tax payments.

The form identifies the taxpayer, tax classes, and the particular premises covered by the return. Without this form, the Federal SOT on tobacco products could not be collected. These payments and collections are mandated by legislation.

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?

Tobacco SOT taxes are required by statute to be collected on the basis of a return. TTB F 5630.5R is computer generated by TTB with known taxpayer identifying information (e.g., name, trade name, address, employer identification number, etc.) along with tax computations reflecting tax class(es), number of business locations, tax rate(s), and total tax due. The taxpayer corrects or adds information that is incorrect or missing. We have approved and will continue to approve, on a case-by-case basis, the use of improved information technology for the collection of required information.

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?

For tobacco businesses that must pay a SOT, similar information is not available from other sources.

5. If this collection of information impacts small businesses or other small entities, what methods are used to minimize burden?

The information collected is not susceptible to reduced requirements 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?

The tax collections and registration for which this form is used are required by statute. Less frequent collection of this information would pose jeopardy to 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.

TTB published a 60-day Federal Register notice on Friday, April 11, 2014, (79 FR 20305) to solicit comments from the general public for the renewal of this information collection. 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?

Disclosure of this tax return information to persons outside of TTB is restricted and governed by the procedural requirements of 26 U.S.C. 6103.

11. What justification is there for questions of a sensitive nature? If personally identifiable information (PII) is being collected in an electronic system, identify the Privacy Impact Assessment (PIA) that has been conducted for the information collected under this request and/or Privacy Act System of Records notice (SORN) that has been issued for the electronic system in which the PII is being stored.

We ask no questions of a sensitive nature. This collection is not associated with a PIA or SORN.

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

We estimate that the 400 respondents will take 15 minutes to review and update, if necessary, TTB F 5630.5R once per year, resulting in 100 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)?

Our estimate of the cost to the respondent is as follows:

Capital Costs: None	
Operation and Maintenance Cost:	
Labor	\$3,000 (400 × .25 × \$30/hr)
Mailing	3,000
Overhead	2,000
Total	\$8,000

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

Cost to the Federal Government is as follows:	
Labor	\$ 6,800
Overhead	3,800
Printing and Mailing	8,000
Total	\$18,600

Printing and distribution cost is normally based on blank forms. The printing cost for this collection is based on pre-filled forms that TTB personnel prepare and send to the industry member.

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

There is no program change or adjustment 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?

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 for explanation regarding burden to small businesses.
- (f) This is not a recordkeeping collection so there is no retention period.
- (i) There is no statistical method used for this collection.
- (j) See item 3 for explanation regarding the use of information technology.

B. Collections of Information Employing Statistical Methods.

This collection does not employ statistical methods.