

DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0019

TTB F 5100.18 Application for Amended Basic Permit under the Federal Alcohol Administration Act

**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: Line of Business/Sub-function and IT Investment, if one is used.

Section 103 of the FAA Act, 27 U.S.C. 203, requires a person apply for and receive a basic permit in order to engage in the business of importing into the United States, distilled spirits, wine or malt beverages; engage in the business of distilling spirits or producing wine; and engage in the business of purchasing for resale at wholesale distilled spirits, wine or malt beverages.

The Secretary of the Treasury is authorized by 27 U.S.C 204 to prescribe the manner and form of all applications for basic permits. This section also imposes minimum requirements upon persons applying for a basic permit.

The basic permit identifies the person to whom issued, identifies the premises where authorized activities may occur, and sets forth the authorized operations. Amendment of the basic permit becomes necessary when material changes occur in name, ownership, location, or activities of the permittee. The regulations governing these amendments are found in 27 CFR 1.40, 1.41, and 1.42.

This information collection is aligned with:

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 information furnished on TTB F 5100.18 enables TTB to determine whether applicants for an amended basic permit meet the statutory requirements in 27 U.S.C. 204 for issuance of a basic permit.

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TTB F 5100.18 is the method permittees use to notify TTB that material changes have occurred to the operations described on, and authorized by, a basic permit. The information provided on the form is the most efficient means TTB has to determine whether or not the applicant for an amended basic permit is in compliance with the requirements of 27 U.S.C. 204 and remains eligible for a basic permit.

The submission of this information provides TTB with current information regarding the permittee's activities, corporate structure, and physical operations. It also provides TTB with the proper location of the permittee for the purpose of determining if the proposed premises are suitable for business, provide the necessary security, and otherwise meet all statutory and regulatory requirements.

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's Permits Online (PONL) system allows for the electronic submission of applications and all the supplementary forms associated with applying for a permit. This supplemental form is used in the application process and can be completed on PONL but must be originally signed and mailed to TTB.

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 information collected in TTB F 5100.18 is pertinent to each respondent and applicable to the specific issue of qualification for a basic permit. 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?

All entities, regardless of size, are required by statute to obtain a basic permit to engage in any of the stated business. This information collection is required in order to determine if an amended permit should be granted and 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?

If TTB F 5100.18 did not exist, TTB would be unable to determine if the applicant qualified for an amended basic permit. In addition, it would be a violation of 27 U.S.C. 204 to issue a basic permit without first obtaining an application. Respondents complete this information only as often as necessary for TTB to determine if the new circumstances warrant any change in the granting of the basic permit.

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 Tuesday, July 15, 2014, 79 FR 41357. 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?

No specific assurance of confidentiality is provided for this information collection requirement. The confidentiality of information appearing on this form relating to trade secrets, and to commercial or financial information is protected by 5 U.S.C. 552.

Title 27 CFR 1.59 requires that the appropriate TTB officer provide opportunity for public inspection of certain information appearing on TTB F 5100.18 for a period of one year following final action on the application.

Information open to public inspection includes: name and trade names (if any) of applicant; address of applicant; kind of permit and location of business; whether applicant is an individual, partnership, or corporation; if a partnership, name and address of each partner; if a corporation, name and address of each of the principal officers and of each stockholder owning more than 10 percent of the corporate stock.

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.

A Privacy Impact Assessment (PIA) has been conducted for information collected under this request as part of the Tax Major Application System and a Privacy Act System of Records notice (SORN) has been issued for this system under TTB .001-Regulatory Enforcement Record System (76 FR 74847, December 1, 2011). The Department of Treasury PIAs can be found at <http://www.treasury.gov/privacy/PIAs/Pages/default.aspx>.

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

There are 2,700 respondents that complete this form once per year, 700 submitted electronically via our PONL system and 2,000 on paper.

It takes each respondent using the paper option 30 minutes to complete this form.

It takes each respondent using the electronic option 20 minutes to complete this form.

As a result, the estimated burden hours are 1,233.33 hours ( (2000 x .5 hours = 1,000 hrs) + (700 x .33 hours – 233.33 hrs) )

<b>1513-0019 TTB F 5100.18</b>	<b>NUMBER OF RESPONDENTS</b>	<b>TIMES SUBMITTED (12-month period)</b>	<b>NUMBER OF RESPONSES</b>	<b>AMOUNT OF HOUR(S) (MINUTES) REQUIRED TO RESPOND</b>	<b>ESTIMATED BURDEN HOURS</b>
<b>PAPER</b>	2,000	1	2,000	0.5 (30 minutes)	<b>1,000</b>
<b>PONL</b>	700	1	700	0.333 (20 minutes)	<b>233</b>
<b>TOTAL</b>	<b>2,700</b>	<b>1</b>	<b>2,700</b>		<b>1,233</b>

13. What is the estimated total annual cost burden to respondents or record keepers resulting from this collection of information (excluding the value of the burden hours in Question 12 above?)

There is no cost 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	-0-
Distribution	-0-
Clerical Costs	3,000
Other Salary (review, <u>supervisory, etc.)</u>	<u>7,550</u>
TOTAL	\$10,550

Printing and distribution cost has either significantly decreased or no longer exist due to the availability of TTB forms on TTB.gov and in our electronic systems (PONL, FONL, COLA Online, and/or Pay.gov) and. As a result, there is no longer printing and distribution cost for this collection.

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

There is an adjustment associated with this information collection as a result of an increase in the number of respondents.

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?

TTB is seeking approval to not display the expiration date for OMB approval of this collection because displaying the expiration date would make it necessary to update the electronic systems and website, for the public and TTB, after each renewal. Displaying the expiration date would make it necessary, in some instances, to update several pages on websites where the same form may reside. Some businesses print complex and expensive marginally punched continuous versions, at their expense, for use in their computers. By not displaying the expiration date, electronic systems or computers wouldn't have to be updated just to amend the expiration date, or forms could continue to be used regardless of when the OMB approval has expired. This would reduce costs incurred through additional system updates for TTB and the public.

Additionally, not displaying the expiration date on the form will avoid confusion among members of the public who may have identical forms with different expiration dates in their possession. By not displaying the expiration date, supplies of the form could continue to be used regardless of when the OMB approval has expired. This would also reduce the difficulties experienced by the public when trying to determine when there are actual changes that require reduce costs incurred through desktop publishing. This would reduce costs incurred through additional printing for TTB and the public.

18. What are the exceptions to the certification statement?

- (c) See item 5 above
- (f) This is not a recordkeeping requirement
- (i) No statistics involved
- (j) See item 3 above

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

This collection does not employ statistical methods.