

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement - Information Collection Request

OMB Control Number 1513-0018

TTB F 5100.24 Application for a 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: Align the information collection to TTB's Line of Business/Sub-function and IT Investment, if one is used.

TTB F 5100.24 is an application for a basic permit under the Federal Alcohol Administration Act (FAA Act). 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 FAA Act provides that the purposes for establishing permits are to:

- a.) Effectively regulate interstate and foreign commerce in distilled spirits, wine, and malt beverages;
- b.) Protect the revenue; and
- c.) Enforce postal laws with respect to distilled spirits, wine, and malt beverages.

Section 104(c) of the FAA Act (27 U.S.C. 204(c)) authorizes the Secretary of the Treasury to "prescribe the manner and form of all applications for basic permits (including the facts to be set forth on the permit)". The TTB regulations at 27 CFR 1.25 provide that applications for basic permits must be made on the TTB F 5100.24 or for amended permits on TTB F 5100.18 (OMB Control Number 1513-0019).

The application enables TTB to determine if the applicant is qualified under the law to receive a basic permit. The form sets forth the information to be supplied by the applicant to obtain a basic permit. Upon approval, the permit identifies persons entitled to engage in regulated operations, the location of the establishment, and the extent of operations authorized.

This information collection is aligned with:

Line of Business/Sub-function: Law Enforcement/Taxation-Substance Control.

IT Investment: Tax Major Application Systems.

2. How, by whom, and for what purpose is this information used?

The information on this application is used by TTB to determine if the applicant for a basic permit meets the requirements of 27 U.S.C. 204 and is qualified to receive a basic permit.

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 encourages the use of technological advances to collect, store, and retrieve this information. TTB developed a Permits Online (PONL) system in which forms may be submitted electronically.

An applicant can electronically submit the information requested on TTB F 5100.24, to apply for a basic permit under the Federal Alcohol Administration Act, using TTB's PONL system, at <https://ttbonline.gov/permitsonline>. An applicant may also download TTB F 5100.24 from TTB.gov. When the form is opened, a message appears, encouraging the user to file the form through PONL for faster processing.

TTB has approved and will continue to approve, on a case-by-case basis, the use of improved technology for the collection and maintenance 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?

TTB F 5100.24 contains information collected that is pertinent to each respondent and applicable to the specific issue of qualification for a basic permit. Similar information is not available to TTB anywhere else.

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 businesses. This information collection is required in order to determine if a person qualifies for a permit and it cannot be waived 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 this information was not collected, TTB would have no way of determining if an applicant is eligible for a basic permit as required by statute. Since the duration of a basic permit is specified in the statute at 27 U.S.C. 204(g), respondents complete this information only as often as necessary to comply with the statute.

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 5100.24 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 its subsystems, which includes PONL and IRIS; 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 5,450 respondents who file the form once annually. Of the 5,450 respondents who are required to file, 3,950 file electronically using our PONL system and 1,500 file on paper. For those filing using PONL, it takes each respondent 1 (one) hour to complete this form. For those filing on paper, it takes each respondent 1 hour and 45 minutes to complete this form.

As a result, the estimated hour burden is:

Paper submissions: 1,500 (respondents) X 1 (annual submissions) = 1,500 (responses) X 1 hour and 45 minutes (processing time) = 2,625 (burden hours)

PONL submissions: 3,950 (respondents) X 1 (annual submissions) = 3,950 (responses) X 1 hour (processing time) = 3,950 (burden hours)
 Total Burden Hours: 2,625 + 3,950 = 6,575.

TTB F 5210.5	RESPONDENTS	NO. RESPONSES PER RESPONDENT PER YEAR	NO. ANNUAL RESPONSES	AMOUNT OF HOUR(S) REQUIRED TO RESPOND	ESTIMATED ANNUAL BURDEN HOURS
PONL	3,950	1	3,950	1	3,950
PAPER	1,500	1	1,500	1.45	2,625
TOTAL	5,450	1	5,450		6,575

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?)

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 Cost	\$	3,488	
Other Salary (review, supervisory, etc.)	\$	<u>9,810</u>	—
TOTAL	\$	13,298	

Printing and distribution cost has either significantly decreased or no longer exists due to the availability of TTB forms on TTB.gov and PONL. As a result, there is no longer printing and distribution cost for this collection.

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

There is an adjustment associated with this collection. The number of respondents has increased and as a result the hour burden as increased.

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 form and website where it is accessed after each renewal. 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.

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.

B. Collections of Information Employing Statistical Methods.

This collection does not employ statistical methods.