**DEPARTMENT OF THE TREASURY**

**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

**Supporting Statement –– Information Collection Request**

**OMB Control Number 1513–0042**

Information Collection Request Title:

Drawback on Distilled Spirits Exported

Information Collections Issued under this Title:

-- TTB F 5110.30, Drawback on Distilled Spirits 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 align the information collection to TTB’s Line of Business/Sub-function and IT Investment, if one is used.*

The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the Federal distilled spirits excise tax and the related provisions of chapter 51 of the Internal Revenue Code (IRC; 26 U.S.C. chapter 51), pursuant to section 1111(d) of the Homeland Security Act of 2002 as codified at 6 U.S.C. 531(d). In addition, the Secretary of the Treasury has delegated certain IRC administrative and enforcement authorities to TTB through Treasury Department Order 120–01.

The IRC, at 26 U.S.C. 5062, specifies that on the exportation of distilled spirits manufactured, produced, bottled, or packaged in casks or other bulk containers in the United States on which an internal revenue tax has been paid or determined, and which are contained in any cask or other bulk container, there shall be allowed, under regulations prescribed by the Secretary of Treasury, a drawback equal in amount to the tax found to have been paid or determined on such distilled spirits.

Persons who export such distilled spirits use TTB F 5110.30 to claim drawback of the Federal alcohol excise taxes paid. The form requests information regarding the claimant, the tax-paid spirits exported, the amount of tax to be refunded, and a certification by a U.S. government agent attesting to the exportation. The TTB regulations that prescribe the collection of this information to verify that the excise tax has indeed been paid are found in:

27 CFR 28.190 27 CFR 28.195b 27 CFR 28.198

27 CFR 28.192 27 CFR 28.197 27 CFR 28.199.

The TTB regulations at 27 CFR 19.455 also prescribe that a claim that includes spirits returned without being exported must be reduced by the amount of tax on the returned spirits.

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 collected on TTB F 5110.30 provides a uniform format for determining that Federal alcohol excise taxes have already been paid on distilled spirits exported from the United States. The form describes the claimant, the tax-paid spirits exported, the amount of tax to be refunded, and a certification by a U.S. government agent attesting to the exportation. TTB uses the information on this form to establish excise tax liability and to prevent jeopardy to the revenue. TTB examines and verifies drawback claims in order to identify unusual activities, errors, or omissions.

*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 has approved and will continue to approve, on a case-by-case basis, the use of improved information technology for the submission of the application form and the maintenance of the required records. Currently, TTB F 5110.30 is “fillable–printable” from the TTB website at www.ttb.gov.

*4. What efforts are used to identify duplication? Can similar information already available be used or modified for use for the purposes described in Item 2 above?*

TTB F 5110.30 collects information that is pertinent to each respondent and applicable to the respondent’s specific drawback claim. As far as TTB 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 the IRC and TTB by regulations to complete TTB F 5110.30 to document and verify distilled spirits export drawback claims. As this information collection requirement is necessary to protect the revenue, it 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?*

The completion of TTB F 5110.30 is necessary to document and verify the respondent’s claim for drawback of Federal alcohol excise tax paid on distilled spirits exported from the United States. If TTB were not able to collect this information, fraudulent claims could be made, which would jeopardize excise tax revenue collection. Respondents complete this information only as often as necessary to claim 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? Summarize the public comments that were received and describe the action taken by the agency in response to those comments.*

To solicit comments from the general public, TTB published a “60-day” comment request notice for this information collection in the Federal Register on January 21, 2015, at 80 FR 3013. TTB received no comments on this information collection in response.

*9. Was any payment or gift given to respondents, other than remuneration of contractors or grantees? If so, why?*

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 on this form. However, Federal law at 5 U.S.C. 552 protects the confidentiality of proprietary information obtained by the Government from regulated businesses and individuals, and 26 U.S.C. 6103 prohibits disclosure of tax returns and related information unless disclosure is specifically authorized by that section. Copies of TTB F 5110.30 are maintained by TTB in secure file rooms with controlled public access.

*11. What is the justification 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 the Privacy Act System of Records notice (SORN) issued for the electronic system in which the PII is being stored.*

This information collection contains no questions of a sensitive nature.

A Privacy Impact Assessment (PIA) has been conducted for information collected under this request as part of the Tax Major Application, and a Privacy Act System of Records notice (SORN) has been issued for this system under TTB .001–Regulatory Enforcement Record System and published in the Federal Register on January 28, 2015, at 80 FR 4637. TTB’s PIAs are available on the TTB website at http://www.ttb.gov/foia/pia.shtml.

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

Based on data provided by TTB field office personnel who process this form, 100 respondents annually file an average of 6 claims each for drawback on distilled spirits exports, for a total of 600 claims. To file such a claim, respondents submit a “notice” copy TTB F 5110.30, and then follow up with the submission of a “final” copy of the form. Therefore, at two copies of the form per claim, 1,200 copies of TTB F 5110.30 are filed with TTB each year.

TTB estimates that a respondent takes 2 hours to file a claim for drawback on distilled spirits exported using the two required copies of TTB F 5110.30. Therefore, the total burden hours for this collection is calculated as:

600 claims filed annually x 2 hours per claim = 1,200 hours of burden annually.

*13. What is the estimated annual cost burden to respondents or record keepers resulting from this information collection request (excluding the value of the hour burden 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:

|  |  |
| --- | --- |
| Printing costs | $ 0 |
| Distribution costs | 0 |
| Clerical costs | 0 |
| Other Salary costs (review, supervisory, etc.) | 6,000 |
| TOTAL COSTS | 6,000 |

Printing and distribution costs to the Federal government have decreased to $0.00 in TTB’s cost estimate due to the availability of TTB forms to the public on the TTB website ([www.ttb.gov](http://www.ttb.gov)).

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

There are no program changes associated with this collection.

As for adjustments to the collection’s estimated burden, based on recent data provided by TTB field office personnel who process the form associated with this information collection, we have decreased the estimated number of responses and resulting burden hours associated with this collection.

*16. Outline plans for tabulation and publication for collections of information whose results will be published.*

TTB 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?

As a cost saving measure for both TTB and the general public, TTB is seeking approval not to display the expiration date for OMB approval of this information collection.  By not displaying the expiration date of this collection on the related form, TTB will not have to update the form’s expiration date on its electronic systems and website pages or on the form’s paper version each time the information collection is approved.  More importantly, this avoids confusion among users of the form when the OMB approval date may have passed but the form is approved under interim short-term approvals while the form is under OMB review but before OMB has taken action.  In addition, TTB-regulated businesses will not have to update their stocks of paper forms or alter electronic copies of the form, including any versions of the form produced by some businesses, at their own expense, for use with their electronic systems or for sale to other businesses or individuals.

*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. Collections of Information Employing Statistical Methods.**

This collection does not employ statistical methods.