

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
Supporting Statement -- Information Collection Request
OMB Control Number 1513-0037

Information Collection Request Title:

Withdrawal of Spirits, Specially Denatured Spirits, or Wines for Exportation

Information Collections Issued under this Title:

-- TTB F 5100.11, Withdrawal of Spirits, Specially Denatured Spirits, or Wines for Exportation.

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 excise tax on distilled spirits, denatured spirits, and wines 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The IRC, at 26 U.S.C. 5066, 5214 and 5362, provides that distilled spirits, denatured spirits, and wines may be withdrawn from internal revenue bonded premises without payment of the Federal alcohol excise tax for direct exportation or exportation to the armed forces of the United States, or for transfer to a foreign trade zone, a customs manufacturing bonded warehouse or a customs bonded warehouse, or for use as supplies on vessels or aircraft. These IRC sections also state that such withdrawals are subject to regulations prescribed by the Secretary of the Treasury.

Exporters use TTB F 5100.11 to report these types of removals without payment of tax. The use of TTB F 5100.11 by exporters is prescribed in the TTB regulations at 27 CFR 28.92, 28.122, and 28.152.

Under these regulations, if the exporter is also the proprietor of the bonded premises from which the spirits or wines are to be removed, the proprietor completes Part I of the form as a "notice" of removal, and Parts II and IV of the form are left blank. If, however, the exporter is not the proprietor of the bonded premises, Part I becomes the "application" to remove the spirits or wines listed on the form. If the exporter's "application" is approved, a TTB officer completes Part II. The officer's signature is the proprietor's authorization, to remove the spirits or wines from the bonded premises, on behalf of the exporter. This application

procedure allows TTB to determine, prior to removal, that the exporter has the bond required by 26 U.S.C. 5175 or 5362(c) and that the penal sum of that bond is sufficient to cover the tax liability on the goods being removed or meets the maximum or minimum penal sum as specified by regulation.

Parts V through VIII are reserved for the use of the person to whom the spirits or wines have been consigned. Generally this is a U.S. Customs and Border Protection officer or a warehouse proprietor. The part to be completed depends upon the nature of the removal, i.e. for direct export, for transfer to a foreign trade zone, for use as supplies on vessels or aircraft, etc.

This information collection is aligned with:

Line of Business/Sub-function: General Government/Taxation Management.

IT Investment: None.

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

Exporters complete TTB F 5100.11 to report the withdrawal of spirits, denatured spirits, and wines from internal revenue bonded premises, without payment of tax, for direct exportation, or for transfer to a foreign trade zone, a customs manufacturing bonded warehouse or a customs bonded warehouse, or for use as supplies on vessels or aircraft.

As noted above, the information collected on TTB F 5100.11 allows TTB to determine that exporters of untaxpaid spirits and wines possess the bonds required by law and regulations. In addition, the signatures in Parts V through VIII of the form serve to show TTB that untaxpaid spirits and wines removed from bonded premises for exportation have in fact been exported and are, therefore, legitimate tax-free removals. An authorized signature on page 2 of the form relieves the exporter of any further tax liability with respect to the items listed on page 1 of the form.

TTB requires this information in order to protect the revenue, and the potential tax liability of the spirits and wines in question is significant. If TTB did not collect this information, it would have no reasonable means of verifying that withdrawals of spirits without payment of tax for export are, in fact, exported and not diverted into domestic commerce.

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 5100.11 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 5100.11 collects information that is pertinent to each respondent and applicable to the respondent's specific removal of untaxpaid spirits or wines for exportation. 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 regulations issued under the IRC to complete TTB F 5100.11 to document and verify that untaxpaid spirits or wines withdrawn from bonded premises for export are, in fact, exported. As this information collection requirement is necessary to protect the revenue, it cannot be waived, or the number of data elements reduced, 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 5100.11 is necessary to document and verify the export of untaxpaid spirits or wines removed from bonded premises. If TTB were not able to collect this information, fraudulent export claims could be made, which would jeopardize excise tax revenue collection and could result in a significant loss of Federal revenue. Respondents complete this information only as often as necessary to document such exports.

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 5100.11 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. In addition, this information collection does not collect personally identifiable information (PII) in an electronic system. Therefore, no Privacy Impact Assessment (PIA) or System of Records Notice (SORN) is required for this collection.

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, 150 respondents complete an average of 20 responses per year, for a total of 3,000 annual responses. Completion of this form should take the respondent an average of 0.5 hours (30 minutes). Therefore, the total annual burden hours for this collection is 1,500 hours.

(150 respondents x 20 responses per year = 3,000 responses x 0.5 hours per response = 1,500 annual burden hours.)

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.)	2,400
TOTAL COSTS	2,400

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).

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 associated with this collection. We also have lowered the estimated time to complete the form from 1.0 hour to 0.5 hours. As a result of the lowered estimate of respondents and completion time for the form, the estimated annual burden hours for this collection has decreased.

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.