

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement – Information Collection Requirement

OMB Control Number 1513-0014

- TTB F 5000.8 Power of Attorney

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

The Internal Revenue Code at 26 U.S.C. 6061 states that any documents filed by industry members under the provisions of the Internal Revenue Code must be signed and filed in accordance with the forms and regulations prescribed by the Secretary of the Treasury. Also, the Federal Alcohol Administration Act at 27 U.S.C. 2014(c) states that the Secretary shall prescribe the manner and form of all applications for basic permits under the Act.

The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers chapter 51 (distilled spirits, wine and beer) of the Internal Revenue Code of 1986, as amended, (IRC, 26 U.S.C.) and the Federal Alcohol Administration Act (FAA Act, 27 U.S.C. 201 *et seq.*) 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 and FAA Act administrative and enforcement authorities to TTB through Treasury Department Order 120-01.

Therefore, TTB has issued TTB F 5000.8, Power of Attorney, so the authority to file and/or sign documents on behalf of an applicant or principal of an alcohol or tobacco permittee can be delegated to a specific individual. Many of the documents submitted to TTB entail binding legal commitments by the applicant or permittee, and any omissions or falsification may subject the applicant or permittee to penalties provided in the law.

The use of power of attorney, TTB F 5000.8, is prescribed by the following TTB regulations:

27 CFR 1.30	27 CFR 22.53
27 CFR 17.105	27 CFR 24.116
27 CFR 18.26	27 CFR 24.150
27 CFR 19.78	27 CFR 25.65
27 CFR 19.156	27 CFR 40.68
27 CFR 19.676	27 CFR 40.393
27 CFR 20.53	27 CFR 41.196
	27 CFR 44.87

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 Power of Attorney form, TTB F 5000.8, becomes part of the industry member's permit file maintained at TTB's National Revenue Center. The power of attorney designations must come from the applicant or permittee, and, since they apply only to Bureau matters, they are used by TTB personnel to determine who can represent the respondent when doing business with TTB.

**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, including the Power of Attorney form, TTB F 5000.8. This supplemental form is used in the application process and can be completed on PONL, but it must be printed out, originally signed, and then 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?**

TTB F 5000.8 collects information that is pertinent to each applicant or permittee and applicable to his/her specific situation, and it is for use solely by TTB. As far as we can determine, similar information is not available 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, complete this form in order to ensure that taxpayer and other sensitive information is submitted to TTB only by authorized persons. Therefore, the information collection 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?**

TTB collects the information on TTB F 5000.8 to ensure that only duly authorized individuals are signing documents on behalf of the applicant or permittee. Without these authorizations, there could be misrepresentations of applicants or permittees, which would jeopardize 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 notice in the Federal Register on November 9, 2012 (77 FR 67442) to solicit comments from the general public. TTB received one comment, from attorney Marc E. Sorini (McDermott, Will, & Emery LLP), dated January 8, 2013, in which he suggest that TTB F 5000.8 be amended to allow the representation of industry members by law firms instead of only individual attorneys.

TTB has considered the suggestion and concluded that we will not change the Power of Attorney (POA) form, TTB F 5000.8, to allow for the appointment of law firms as representatives for industry members. TTB concluded that allowing law firms as a whole to be appointed as representatives for industry members would create an administrative burden by creating uncertainty and confusion with respect to who is actually and specifically authorized to act and make decisions on behalf of an industry member. TTB also notes that the instructions accompanying the IRS Power of Attorney (Form 2848), from which TTB F 5000.8 originated, states that:

Only individual who are eligible to practice before the IRS may be named as representatives. Use the identical full name on all submissions and correspondence. If you want to name more than three representatives indicate so on this line and attach an additional Form(s) 2848.

Accordingly, for the above referenced reasons, it is TTB's position that it would be better practice to follow the lead of the IRS in this regard and limit the designation of representatives in Power of Attorneys to individuals as opposed to entire law firms.

In addition, TTB published a 60-day notice in the Federal Register on February 25, 2014 (79 FR 10622) to renew this information collection. The notice solicited comments from the general public, but TTB received no comment.

**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?**

We do not provide specific assurance of confidentiality for this information collection requirement. The confidentiality of information appearing on this form is protected by 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.**

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 System, 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 and cost burden of this collection of information?**

There is no change in burden. We estimate that there are 5,000 current respondents, 4,500 will continue to file via paper and 500 (10%) will file using PONL.

Hour Burden:

Paper submissions: 4,500 (respondents) X 2 (times filed annually) = 9,000 (responses) X 20 minutes (processing time) = 180,000/60 = 3,000 (total burden hours).

PONL: 500 (respondents) X 2 (times filed annually) = 1,000 (responses) X 15 minutes (processing time) = 15,000/60 = 250 (total burden hours).

3,000 (Paper) + 250 (PONL) = 3,250 (Total Burden Hours)

TTB F 5000.8	RESPONDENTS	TIMES SUBMITTED	RESPONDENTS	AMOUNT OF MINUTES REQUIRED TO RESPOND	ESTIMATED BURDEN HOURS
<b>Paper</b>	4,500	2	9,000	20	<b>3,000</b>
<b>PONL</b>	500	2	1,000	15	<b>250</b>
<b>TOTAL</b>	<b>5,000</b>	<b>2</b>	<b>10,000</b>	<b>35</b>	<b>3,250</b>

Cost Burden:

There is no annual cost to the respondent associated with this burden.

**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 are no capital/start-up or ongoing operation/maintenance costs to the respondent associated with this information collection.

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

Estimates of annual cost to the Federal Government for this information collection are as follows:

Clerical Costs	738
Other Salary (review supervisory, etc.)	<u>1,325</u>
TOTAL	\$2,063

Printing and distribution costs have decreased to zero due to the availability of TTB forms on TTB.gov and in our electronic systems (PONL, FONL, COLA Online, and/or Pay.gov).

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

In response to the OMB terms of clearance, this submission is being made as a reinstatement to add a Privacy Act statement to the TTB F 5000.8 and to include a reference to the appropriate SORN in this Supporting Statement (see response to question 11).

**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) This is not a survey so no statistical methods are involved.
- (j) See item 3 for explanation regarding the use of information technology.

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

This collection does not employ statistical methods.