

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
Supporting Statement -- Information Collection Request
OMB Control Number 1513-0114

Information Collection Request Title:

Beer for Exportation.

Information Collections Issued under this Title:

TTB F 5130.12, Beer 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 chapter 51 (distilled spirits, wine, and beer), chapter 52 (tobacco products, processed tobacco, and cigarette papers and tubes), and sections 4181-4182 (firearms and ammunition excise taxes) of the Internal Revenue Code of 1986, as amended (IRC, 26 U.S.C.), 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.

Federal excise tax is imposed under 26 U.S.C. 5051 on beer removed from domestic breweries for consumption or sale. However, under provisions of 26 U.S.C. 5053, beer may be removed from the brewery without payment of tax for exportation and for use as supplies on certain vessels and aircraft, subject to the prescribed regulations.

The TTB regulations in 27 CFR Part 25, Beer, allow for the removal of beer without payment of tax for exportation, for use as supplies on vessels and aircraft, or for transfer to foreign trade zones for exportation or storage pending exportation, subject to the provisions of 27 CFR Part 28, Exportation of Alcohol.

Regulations in 27 CFR part 28 proscribe the use of TTB F 5130.12 to document the removal of beer from a brewery without payment of tax for exportation to a foreign country, for transfer to a foreign trade zone for subsequent exportation, for exportation to the Armed Forces of the United States, or for use as supplies on vessels. The form also is used by a Customs officer to certify the beer's exportation or the beer's transfer to a foreign trade zone, vessel, or aircraft, and the form is used by an Armed Forces officer to document receipt of the beer for export to a military installation.

The collection of information from a brewer on TTB F 5130.12 is required by 27 CFR 28.22, 28.142, 28.146, 28.147, 28.261, and 28.295.

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?

Whenever a brewer intends to remove beer without payment of tax from the brewery for exportation, transfer to a foreign trade zone, or for use as supplies on a vessel or aircraft, the brewer must complete TTB F 5130.12, as prescribed by the applicable regulations in 27 CFR part 28. Brewers use the form to document the removal and its intended destination or use. Brewers submit a copy of this form to TTB as a notice of the export and other copies of the form travel with the shipment. TTB uses the notice copy of the form to verify the export figures reported by brewers on their quarterly or monthly report of operations.

To document the beer's actual export or transfer, a Customs officer certifies the export or transfer (or an Armed Forces officer acknowledges receipt) of the beer removed without payment of tax on a copy of the form, and that copy is returned to TTB. The certified copy TTB receives after exportation allows TTB to clear the potential excise tax liability against the brewer's bond. The information required on TTB F 5130.12 is necessary to protect the revenue by preventing diversion of untaxed beer into domestic markets.

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 collection and maintenance of required information. Currently, TTB F 5130.12 is available as a fillable-printable form on the TTB Web site at <http://www.ttb.gov/forms/index.shtml>.

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?

This collection requires information that is reports that are pertinent and unique to each brewer's specific operations. 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 brewers are required by the TTB regulations to comply with this requirement in order to protect the revenue, regardless of the size of the business. Since TTB F 5130.12 is a per-transaction form, small businesses are likely to complete fewer forms than large

businesses. TTB believes that the required information is the minimum necessary to protect the revenue and prevent diversion of untaxpaid beer into domestic markets.

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?*

Without this information collection requirement, TTB could not verify that removals of beer without payment of tax are exported to a foreign country, transferred to a foreign trade zone or to a vessel or aircraft for use as supplies, or received by the U.S. Armed Forces for export. Failure to verify these removals without payment of tax could result in illicit diversion of the beer into the domestic market and a resulting loss of 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?*

This information collection requires respondents to submit multiple copies of the document. Respondents must execute Part I of TTB F 5130.12, Beer for Exportation, in quadruplicate, and must prepare a fifth copy, marked "Consignee's Copy," when the shipment is for use on an aircraft. There are no other special circumstances.

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 Thursday, July 9, 2015, at 80 FR 39481. 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. TTB maintains these records in secure file rooms with controlled 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 recent experience, TTB estimates that 175 respondents will file the form an average of 34.4 times per year, for a total of 6020 responses. Each form should take an average of 1.65 hours per applicant to complete, for a total of 9,933 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)?*

We do not believe exporters bear any additional capital or start-up costs, or any increased operation or maintenance costs, as a result of this requirement. The information needed to complete TTB F 5130.12 also must be generated by the brewer for customary and usual business practices and records, such as preparing invoices for the shipments.

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	1,000
Other Salary costs (review, supervisory, etc.)	0
TOTAL COSTS	1,000

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).

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

There are no program changes associated with this collection.

As adjustments, we are reporting an increase in the number of respondents, responses, and annual burden hours due to the growth in the number of brewers who export beer. We are reporting an increase of 115 respondents, 2,420 total responses, and 3,993 annual burden hours for this information collection.

On the form, we are updating the TTB headquarters address in the Paperwork Reduction Act statement.

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. Similarly, TTB-regulated businesses will not have to update their stocks of paper forms or alter electronic copies of the form, including any marginally-punched continuous printed 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. Additionally, not displaying the OMB approval expiration date on this 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 in use regardless of when OMB's approval has expired.

18. What are the exceptions to the certification statement?

- (c) See item 5 above.
- (i) No statistics are involved.
- (j) See item 3 above.

B. Collections of Information Employing Statistical Methods.

This collection does not employ statistical methods.