

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement – Information Collection Requirement

OMB Control Number 1513-0014

- Power of Attorney, TTB F 5000.8

**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. 204(c) states that the Secretary shall prescribe the manner and form of all applications for basic permits issued under the Act.

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.), as well as 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.

The TTB regulations require individuals signing documents and forms filed with TTB on behalf of an applicant or principal to have specific authority to do so on the principal's behalf. Many of the documents and forms submitted to TTB entail binding legal commitments by the applicant or principal, and any omissions or falsification may subject the respondent to penalties as provided in Federal law.

Therefore, respondents use form TTB F 5000.8, Power of Attorney, to delegate authority to a specific individual to sign documents and forms on behalf of an applicant or principal. The use TTB F 5000.8 is prescribed by the following TTB regulations in 27 CFR chapter I:

1.30	17.105	18.26	19.78	19.156	19.676
20.53	22.53	24.116	24.150	25.65	40.68
40.393	41.196	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?**

An applicant may file TTB F 5000.8, Power of Attorney, when completing a permit application, or an industry member may file the form as needed during the course of business. The completed 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 principal, and, since these designations apply only to TTB matters, the forms are used by TTB personnel to determine who can represent the applicant or permittee 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 F 5000.8 is available on the TTB website (<http://www.ttb.gov>) as a fillable, printable form. In addition, TTB F 5000.8 can be completed within TTB's Permits Online (PONL) system as a supplemental form, 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 is used for TTB purposes, it collects information that is specific and applicable to each respondent. 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, complete TTB 5000.8 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 24, 2015 (80 FR 73269) to solicit comments from the general public, and we received one comment in response. The comment, from attorney Ramona Cunningham O'Bryant (Smith Moore Leatherwood LLP), was filed on behalf of Altria Client Services, LLC, Altria Compounds LLC, John Middleton Co., Philip Morris USA Inc., U.S. Smokeless Tobacco Company LLC, and U.S. Smokeless Tobacco Products LLC. The comment stated that the process for submitting the TTB F 5000.8 is burdensome for controlled groups of corporations, and suggested that TTB consider revising the form to allow one person to act for multiple affiliated entities. Specifically, the comment suggested that TTB allow such control groups to submit a single Power of Attorney form with a list of the companies for which the person identified on the form could act.

TTB is currently undertaking a review to determine whether it would be possible to accommodate affiliated entities, either through amendment of the TTB F 5000.8 or otherwise.

**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?**

TTB does not provide a specific assurance of confidentiality for this information collection requirement. The IRC at 26 U.S.C. 6103 prohibits the unlawful disclosure of the taxpayer information appearing on this form.

**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?**

Respondents:

Based on recent experience, TTB estimates that 5,000 respondents will file an average of 2 TTB F 5000.8 forms per year, for a total of 10,000 responses. Of the 5,000 respondents, 4,500 will complete TTB F 5000.8 on paper and 500 (10%) will complete the form electronically using TTB's PONL system.

Hour Burden:

For paper submissions, 4,500 respondents x 2 annual responses = 9,000 responses) x 20 minutes per response = 180,000 minutes/60 minutes per hour = 3,000 total annual burden hours.

For PONL submissions: 500 respondents x 2 annual responses = 1,000 responses x 15 minutes per response = 15,000 minutes/60 minutes per hour = 250 total annual burden hours.

Therefore, 3,000 hours for paper + 250 hours for 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>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?**

There are no program changes or adjustments associated with this information collection.

On the form, in Item 14, TTB is eliminating the reference to 31 CFR Part 8, Practice Before the Bureau of Alcohol, Tobacco and Firearms. Item 14 will now only ask the respondent to declare that they are a member in good standing of the bar in a particular jurisdiction or if they are qualified to practice as a certified public account in a particular jurisdiction.

**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?**

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 on this form. 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 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.