

**DEPARTMENT OF THE TREASURY**  
**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**  
**Supporting Statement -- Information Collection Request**  
**OMB Control Number 1513-0066**

Information Collection Request Title:

Retail Liquor Dealers Records of Receipts of Alcoholic Beverages and Commercial Invoices, TTB REC 5170/3.

**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.

The IRC at 26 U.S.C. 5122 requires retail alcohol beverage dealers to keep, at their place of business, records of all distilled spirits, wines, and beer received, either in book form or by using commercial invoices. It also authorizes the Secretary to issue regulations to require retail dealers to keep records regarding the disposition of such products if the Secretary deems it necessary for the purposes of law enforcement or revenue protection. Under the IRC at 26 U.S.C. 5123, such records must, as the Secretary may by regulation prescribe, be preserved for inspection by revenue agents during business hours.

Under these authorities, TTB has issued regulations regarding retail alcohol beverage records, which are codified in 27 CFR Part 31, Alcohol Beverage Dealers. Specifically, 27 CFR 31.181 requires retail dealers to keep at their place of business "complete records showing the quantities of all distilled spirits, wines, and beer received," including information regarding from whom and when the products were received. This regulation also requires retail dealers to keep records of all sales of such products of 20 or more wine gallons made to the same person at the same time. Under 27 CFR 31.191, retail dealers must keep the required records and any documents supporting such records for at least 3 years, and they must make the records available for inspection by TTB personnel during business hours.

The IRC authorizes, and the TTB regulations require, the keeping of these records in order to protect the revenue, and to also protect the consumer from adulterated or mislabeled products. These records are an integral component of the alcoholic beverage control

system, which provides TTB with the records necessary to follow an alcohol beverage product through the production and distribution process.

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?*

To protect the revenue, and to protect the consumer from adulterated or mislabeled alcohol beverage products, TTB uses the information contained in the required records to account for alcohol beverage transactions between wholesale and retail dealers, and to account for large retail sales made to the same person at the same time.

*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?*

At their discretion, retail dealers may use automated, electronic, or other information technology to keep the required information.

*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?*

These records contain information pertinent to each respondent and specific to their receipt and disposition of alcohol beverage products. As far as we can determine, similar information is not available to TTB elsewhere.

*5. If this collection of information impacts small businesses or other small entities, what methods are used to minimize burden?*

All retail alcohol dealer entities, regardless of size, are required to keep the required receipt and sale records. Waiver or reduction of this requirement, simply because the respondent's business is small, could jeopardize the revenue or lead to adulterated or mislabeled products entering the consumer market. Because this recordkeeping requirement consists of usual and customary invoices and sales records kept during the normal course of business, TTB believes that this information collection does not have a significant impact on a substantial number of small businesses or other entities.

*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?*

Not collecting the required information would break the audit trail TTB requires to track alcohol beverages through the production and distribution chain, which would jeopardize the revenue and could lead to adulterated or mislabeled alcohol beverages being sold to consumers.

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 Wednesday, January 13, 2015, at 81 FR 1679. 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?*

These records are maintained at the premises of retail alcohol beverage dealers. TTB may inspect these records, and TTB provides no specific assurance of confidentiality for this information collection. However, Federal law at 5 U.S.C 522 and 26 U.S.C. 6103 protects the confidentiality of, respectively, proprietary business information and taxpayer information obtained by the government, unless disclosure is specifically authorized by law.

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?*

This information collection consists of usual and customary business records, such as invoices and sales records, that respondents would keep at their premises during the normal course of business, even without the TTB regulatory requirement to keep such records. Therefore, in accordance with 5 CFR 1320.3(b)(2), the total annual burden for the estimated 455,000 respondents to this information collection is one hour (which represents a place holder not an actual estimate of burden).

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)?*

Because this information collection consists of usual and customary records kept during the normal course of business, there is no cost to respondents associated with this collection.

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

There is no cost the Federal Government for this information collection, which consists of usual and customary records kept at the respondent's place of business.

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

There are no program changes or adjustments 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?*

This information collection consists of records kept by the respondents at their places of business. As such, there is no prescribed TTB form for this collection, and, thus, there is no medium for TTB to display the OMB approval expiration date.

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.