

**Department of Justice**  
**Bureau of Alcohol, Tobacco, Firearms and Explosives**  
**Supporting Statement**  
**Information Collection Request**  
**1140-0090**

ATF F 5630.5R, 2014 NFA Special Tax Renewal Registration and Return, ATF F 5630.5RC, 2014 NFA Special Tax Location Registration Listing, ATF F 5630.7, Special Tax Registration and Return National Firearms Act (NFA)

A. Justification

1. On 1<sup>st</sup> engaging in business and thereafter on or before July 1 of each year, every importer, manufacturer, and dealer in firearms shall pay a special (occupational) tax for each place of business (26 USC 5801). Since 1972, ATF has had responsibility for collecting Special Occupational Taxes (SOT) under the National Firearms Act (NFA) (Title 26, USC Chapter 53). Firearms dealers, manufacturers, and importers must pay this tax to be able to do multiple transfers of specified weapons (such as machine guns) within the tax year. ATF also has collection and programmatic responsibility for 3 other revenue programs: Federal firearms and explosives licensing; imports; and NFA making and transfer taxes. The NFA making and transfer taxes are assessed under the same statutory authority as the NFA-SOT. The difference is in scope: under NFA-SOT, firearms dealers, manufacturers, and importers pay an annual tax of \$1000 or \$500 (depending upon business size) for unlimited weapons transfers; under NFA making and transfer, the fee is \$200 per weapons transfer. Transferring entities, regardless of the amount paid, must register weapons transfers with ATF.
2. In order to meet the statutory requirements and ensure that payees receive credit for their payments, ATF must have correct information on the taxpayer, including name, mailing address, employee identification number (EIN) and business telephone number, and information on the tax class for which payment is being made. Taxpayers receive ATF F 5630.5R and 5630.5RC, printed with taxpayer information, annually; they receive ATF F 5630.RC only when there is supplemental location information; they are asked to review and correct any erroneous information. Tax years span July 1, 200x through June 30, 200x+1. New taxpayers must initially complete the registration and return form (ATF F 5630.7); ATF captures the provided information in the appropriate revenue system and uses that information in subsequent years to populate the renewal forms.
3. ATF F 5630.7 is a fillable form on the ATF internet site, new taxpayers may download and manually complete the form. The form must be mailed to Atlanta. ATF F 5630.5R and 5630.5RC are populated with existing data before being mailed to an existing taxpayer so taxpayers do not complete these forms only manually correct existing data. Taxpayers cannot fax the forms to ATF since they must remit their tax

payments with the forms to receive proper credit; taxpayers need to send their forms to a lockbox where the payment is processed and the forms and information provided to ATF.

4. The Alcohol and Tobacco Tax and Trade Bureau (TTB) SOT collection forms collect similar information; however, TTB's targeted population is alcohol and tobacco producers where as ATF's population is firearms dealers, manufacturers and importers. ATF uses a subject classification code on all ATF forms. This code ensures that there is no duplication within ATF.

5. The collection does not impact small businesses since all organizations, regardless of size, must pay the required tax to transfer selected weapons.

6. The consequences of not conducting the collection would result in ATF not be able to validate that the organization is able to transfer selected weapons. ATF would not be able to allow the transfer.

7. This information collection requirement is conducted in a manner consistent with 5 CFR 1320.6.

8. ATF Chief Counsel reviews the forms to ensure compliance with statutory requirements. A 60-day and 30-day Federal Register Notice was published to obtain comments from the public. No comments were received.

9. No payment or gift is associated with this collection.

10. Confidentiality is not assured. The respondents' information is maintained in secured location.

11. No questions of a sensitive nature are asked. ATF is requesting that the taxpayer correct the EIN of record to ensure that the trade entity is properly identified and credited for all payments made.

12. ATF F 5630.5R and 5630.5RC are renewal forms and are populated with information that ATF already has on a given taxpayer; ATF F 5630.5RC is generated only when there is supplemental location information for a taxpayer. Therefore, the only requirement is for the taxpayer to review and correct the preprinted information. The information review for ATF F 5630.5R and 5630.5RC combined is estimated to take an average of 10 minutes; the correction of the information on these forms an additional 10 minutes for a burden total of 20 minutes, maximum. There are 6,000 taxpayers who are paying the SOT under the NFA; they review and revise this form annually only. The total burden associated with these forms is 2,000 hours (20 minutes times 6,000 taxpayers).

ATF F 5630.7 must be initially completed in its entirety. There are approximately 350 new taxpayers annually. The estimated form completion time is 15 minutes. The total burden associated with this form is 88 hours (15 minutes times 350 taxpayers).

For this submission, ATF is submitting a combined total of the above: 6,350 respondents for a total of 2,088 hours. Taxpayers respond to any of the three forms only 1 time per year.

13. The cost to the respondent is postage which is estimated at \$3046.58 for the return of the corrected renewal (ATF F 5630.5R) and, if applicable, location registration forms (ATF F 5630.5RC); the costs are the same for the return of the initial return and registration form (ATF F 5630.7). The combined cost is \$2.1.

14. It is estimated that it will cost \$600 to the Federal Government to print a total of 9,000 copies of the forms.

15. The adjustments associated with this collection are an increase in the number of respondents and an increase in cost burden due to a postal rate change.

16. The results of this collection will not be published.

17. ATF does not request approval to not display the expiration date of OMB approval for this collection.

18. There are no exceptions to the certification statement.

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

This collection does not employ statistical methods.