

**Supporting Statement  
Commercial Invoice  
1651-0090**

**A. Justification**

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The collection of the commercial invoice is necessary for conducting adequate examination of merchandise and determination of the duties due on imported merchandise as required by 19 CFR 141.81, 141.82, 141.83, 141.84, 141.85, 141.86, 141.87, 181.88, 141.89 and 141.90 by 19 U.S.C. 1481 and 1484. The commercial invoice is provided to CBP by the importer. To facilitate trade, CBP did not develop a specific form for this information collection. Importers are allowed to use their existing invoices to comply with these regulations.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection .**

The information is used to ascertain the proper tariff classification and valuation of imported merchandise, as required by the Tariff Act of 1930. The absence of this information would delay the collection of appropriate duties on imports. Invoice information is also essential for CBP to make targeting determinations for anti-terrorist enforcement.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g.**

**Permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden .**

Invoices may be submitted electronically via the Electronic Data Interchange for Administration, Commerce and Transport (EDIFACT). Also the Electronic Invoicing Program/Remote Location Filing (EIP/RLF) enables an importer or filer to transmit an electronic invoice via the Document Imaging System (DIS). Approximately 10 percent of commercial invoices are requested by CBP and submitted electronically.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

This information is not duplicated in any other place or any other form.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

This information collection does not significantly impact small businesses or small entities because it uses a document that already exists.

- 6. Describe consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently.**

This information is different for each shipment of imported merchandise and, therefore, must be made available at CBP request. This collection is necessary to ensure proper collections of revenue and to make proper determinations on the admissibility of cargo.

- 7. Explain any special circumstances.**

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

Public comments were solicited through two Federal Register notices published on February 13, 2017 (Volume 82, Page 10495) on which no comments were received, and on May 17, 2017 (Volume 82, Page 22672) on which no comments have been received.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

There is no offer of a monetary or material value for this information collection.

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

There is no PII associated with this information collection. No assurances of confidentiality are provided.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

There are no questions of a sensitive nature.

- 12. Provide estimates of the hour burden of the collection of information.**

INFORMATION COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
Commercial Invoice	744,000	38,500	1,208	46,500,000	1 minute (.016 hours)

CBP requests submission of approximately 10 percent of commercial invoices. Therefore, an estimated 4,650,000 of the total responses are submitted to CBP. Submission of the commercial invoice is requested at random and/or if CBP believes there may be a discrepancy in the information regarding the classification or value of the merchandise. The rest of the commercial invoices are kept in the importer's files.

**Public Cost**

The estimated cost to the respondents is \$22,386,960. This is based on the estimated burden hours (744,000) multiplied by (x) the average loaded hourly wage rate for importers (\$30.09). CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics' (BLS) 2015 median hourly wage rate for Cargo and Freight Agents (\$20.13), which CBP assumes best represents the wage for importers, by the ratio of BLS' average 2015 total compensation to wages and salaries for Office and Administrative Support occupations (1.4799), the assumed occupational group for importers, to account for non-salary

employee benefits.<sup>1,2</sup> CBP then adjusted this figure, which was in 2015 U.S. dollars, to 2016 U.S. dollars by applying a 1.0 percent annual growth rate to the figure, as recommended by the U.S. Department of Transportation's value of travel time guidance.<sup>3</sup>

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.**

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

**14. Provide estimates of annualized cost to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.**

The estimated annual cost to the Federal Government associated with the review of these records is \$50,605,764. This is based on the number of responses that must be reviewed (4,650,000) multiplied by (x) the time burden to review and process each response (10 minutes or .166 hours) = 771,900 hours multiplied by (x) the average hourly loaded rate for other CBP employees (\$65.56)<sup>4</sup> = \$50,605,764.

**15. Explain the reasons for any program changes or adjustments reported in**

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<sup>1</sup> Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, "May 2015 National Occupational Employment and Wage Estimates, United States- Median Hourly Wage by Occupation Code: 43-5011." Updated March 30, 2016. Available at <http://www.bls.gov/oes/2015/may/oes435011.htm>. Accessed June 1, 2016.

<sup>2</sup> The total compensation to wages and salaries ratio is equal to the calculated average of the 2015 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Office and Administrative Support occupations (\$24.9475) divided by the calculated average of the 2015 quarterly estimates (shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation category (\$16.8575). Source of total compensation to wages and salaries ratio data: U.S. Bureau of Labor Statistics. Employer Costs for Employee Compensation. *Employer Costs for Employee Compensation Historical Listing March 2004 – March 2016*, "Table 3. Civilian workers, by occupational group: employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004-2016 by Respondent Type: Office and administrative support occupations." June 9, 2016. Available at <http://www.bls.gov/ncs/ect/sp/eccecqrtn.pdf>. Accessed June 14, 2016.

<sup>3</sup> Source: U.S. Department of Transportation, Office of Transportation Policy. *The Value of Travel Time Savings: Departmental Guidance for Conducting Economic Evaluations Revision 2 (2015 Update)*, "Table 4 (Revision 2-corrected): Recommended Hourly Values of Travel Time Savings." April 29, 2015. <http://www.transportation.gov/sites/dot.gov/files/docs/Revised%20Departmental%20Guidance%20on%20Valuation%20of%20Travel%20Time%20in%20Economic%20Analysis.pdf>. Accessed June 1, 2016.

<sup>4</sup> CBP bases this wage on the FY 2016 salary and benefits of the national average of other CBP positions, which is equal to a GS-13, Step 5. Source: Email correspondence with CBP's Office of Administration on June 27, 2016.

**Items 12 or 13.**

There has been no increase or decrease in the estimated annual burden hours previously reported for this information collection, and no changes to the information collected.

**16. For collection of information whose results will be published, outline plans for tabulation, and publication.**

This information collection will not be published for statistical purposes.

**17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.**

There is no form involved with this information collection, so it would not be appropriate to display the expiration date.

**18. “Certification for Paperwork Reduction Act Submissions.”**

CBP does not request an exception to the certification of this information collection.

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

No statistical methods were employed.