**DEPARTMENT OF THE TREASURY**

**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

**Supporting Statement –– Information Collection Request**

**OMB Control Number 1513–0025**

Information Collection Request Title:

Notice of Release of Tobacco Products, Cigarette Papers, or Cigarette Tubes.

Information Collections Issued under this Title:

TTB F 5200.11: Notice of Release of Tobacco Products, Cigarette Papers,

or Cigarette Tubes.

**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. 5704(c) and (d) provides for the release of imported or returned tobacco products and cigarette papers and tubes from customs custody, without payment of tax, for delivery to an export warehouse proprietor or a manufacturer of tobacco products or cigarette papers and tubes, in accordance with the regulations and under such bond as the Secretary prescribes. Specifically, under paragraph (c), tobacco products and cigarette papers and tubes imported or brought into the United States may be released from customs custody, without payment of tax, for delivery to the proprietor of an export warehouse, or to a manufacturer of tobacco products or cigarette papers and tubes if such articles are not put up in packages. Under paragraph (d), certain tobacco products and cigarette papers and tubes exported from and returned to the United States may be released from customs custody, without payment of that part of the duty attributable to the internal revenue tax, for delivery to the original manufacturer of such articles or to the proprietor of an export warehouse authorized by such manufacturer to receive such articles.

As authorized by 26 U.S.C. 5704(c) and (d), the TTB regulations governing the release of tobacco products and cigarette papers and tubes from customs custody, without payment of tax, are set forth in 27 CFR 41.85, 41.85a, and 41.86. The use of form TTB F 5200.11, Notice of Release of Tobacco Products, Cigarette Papers, or Cigarette Tubes, by industry members is specifically prescribed in § 41.86. The form identifies the manufacturer or export warehouse proprietor under whose bond the articles are to be released, the TTB permit number of the importer responsible for the importation of the articles, the types of articles to be released, and the address of the receiving manufacturer or proprietor. The form also certifies TTB’s authorization for the release, and it documents the number or weight of the released articles, as appropriate.

For those filing TTB data electronically through U.S. Customs and Border Protection’s Automated Commercial Environment (ACE), the information collected by TTB F 5200.11 is captured in that system and, as a result, filing form TTB F 5200.11 is not required. The submission of information through ACE is captured under OMB Number 1513–0064.

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?*

TTB F 5200.11 is used by industry members, TTB, and customs bonded warehouse proprietors or government officials to, respectively, request, authorize, and document the release of tobacco products and cigarette papers and tubes from customs custody without payment of tax. TTB F 5200.11 is used by industry members who do not file their entry information electronically through ACE, since those industry members filing electronically submit the relevant information as data elements through ACE. (The submission of information through ACE is captured under OMB Number 1513–0064.)

When using TTB F 5200.11 to obtain approval for such releases from customs custody, the manufacturer or export warehouse proprietor completes Part I and a portion of Part II of the form to identify themselves, the types of articles to be released, and the name and address of the receiving manufacturer or proprietor. After receiving the form from the requesting industry member, a TTB official certifies on the form that the indicated industry member is authorized to receive the indicated articles under 26 U.S.C. 5704(c) or (d). Part III of the form, which documents the number or weight of the released articles, as appropriate, is completed by the customs bonded warehouse proprietor or government official who has custody of the articles prior to release. The information is used to prevent release of non-taxpaid articles to an unauthorized entity and to track the movement of non-taxpaid articles.

*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 5200.11 is available as a fillable-printable form on the TTB Web site at [*https://www.ttb.gov/forms/5000.shtml*](https://www.ttb.gov/forms/5000.shtml).

However, it should be noted that TTB F 5200.11 is used only by industry members who do not file their entry information electronically through ACE, since those industry members filing electronically submit the relevant information as data elements through ACE (submission of information through ACE is captured under OMB Number 1513–0064).

*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 contains information pertinent to each respondent and applicable to the specific issue of releasing from customs custody, without payment of tax and under internal revenue bond, tobacco products and cigarette papers and tubes imported or brought into the United States. As far as TTB is able to 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, wishing to obtain the release of tobacco products or cigarette papers and tubes from customs custody without payment of tax, as authorized by 26 U.S.C. 5704(c) and (d), are required by 27 CFR 41.86 to complete TTB F 5200.11 (unless import entry information is filed electronically through ACE). Waiver or reduction of this requirement, simply because the respondent's business is small, would jeopardize the revenue.

*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, TTB would not have a mechanism to identify those obtaining release from customs custody of tobacco products and cigarette papers and tubes, without payment of tax, who do not file their entry electronically through ACE, nor would those industry members have a mechanism for providing documentation to CBP that shows that the release is consistent with statutory and regulatory requirements, including the requirement that the recipient be a TTB-permitted entity. TTB F 5200.11 identifies the industry members and the articles involved for tax purposes and ensures that the transaction is completed consistent with applicable regulations.

*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 April 4, 2017, at 82 FR 16471. 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 its copies of these forms 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). 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 data from TTB’s National Revenue Center, which processes the TTB F 5200.11, TTB estimates that 10 respondents file an average of 6 forms annually for a total of 60 annual responses. TTB estimates that each response takes 15 minutes to complete, resulting in a total estimated annual burden of 15 hours.

(10 respondents x 6 responses per respondent = 60 annual responses x 15 minutes per response = 15 total 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)?*

TTB estimates that the annual cost to each respondent to this information collection is approximately $1,000.

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

TTB estimates of annual cost to the Federal Government for this information collection is approximately $1,000 (clerical and supervisory costs and overhead). 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](http://www.ttb.gov)).

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

There are no program changes associated with this information collection.

As for adjustments, TTB is decreasing the estimated number of annual respondents, responses, and burden hours associated with this information collection. TTB now receives fewer TTB F 5200.11 forms, largely due to changes in industry practice, particularly an increase in electronic filing through ACE and a decrease in the overall number of tobacco industry members. TTB F 5200.11 is used by the few industry members who do not file their entry information electronically through ACE, since those industry members filing electronically submit the relevant information as data elements through ACE. (The submission of information through ACE is captured under OMB Number 1513–0064.)

In addition, while the information collected on TTB F 5200.11 generally remains the same, TTB is adding new data fields to the form for the Employer Identification Number of the recipient manufacturer or proprietor and the TTB permit number of the importer. TTB is also clarifying the titles of certain data fields and the form’s instructions to improve the accuracy of the information reported by the recipient of the imported or returned articles. Since such information is readily available to the respondent, TTB does not believe that the addition of these two data fields increases the burden associated with this form.

*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.

(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.