

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
Supporting Statement -- Information Collection Request
OMB Control Number 1513-0017

Information Collection Request Title:

Drawback on Beer Exported

Information Collections Issued under this Title:

- TTB F 5130.6 — Drawback on Beer Exported

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.

Under the Internal Revenue Code (IRC) at 26 U.S.C. 5055, brewers may receive drawback (refund) of the Federal excise tax paid on beer produced in the United States when such beer is exported or delivered for use as supplies on vessels and aircraft, if proof of such action is provided as the Secretary of the Treasury (the Secretary) may by regulation require.

Under that IRC authority, after taxpaid domestic beer is exported to a foreign country, delivered to the U.S. Armed Forces for export, delivered for use as supplies on vessels or aircraft, or transferred to a foreign trade zone for subsequent exportation, the TTB regulations in 27 CFR Part 28, Exportation of Alcohol, allow the brewer or the brewer's agent to file a claim for drawback of the excise taxes paid on such beer. Specifically, the TTB regulations at 27 CFR 28.221, 28.222, 28.225, 28.226, and 28.227 require brewers or their agents to make such drawback claims on form TTB F 5130.6, Drawback on Beer Exported. This form documents the beer exported and the amount of tax claimed for drawback, and certifies the beer's exportation, receipt by the U.S. Armed Forces for export, or use as supplies on a vessel or aircraft.

The information required on TTB F 5130.6 is necessary to protect the revenue. The information collected on this form provides documentation that allows TTB to determine that beer for which export drawback is claimed is in fact eligible for such drawback.

This information collection is aligned with —

- Line of Business/Sub-function: General government / Taxation management.
- IT Investment: Tax Major Application system.

2. How, by whom, and for what purpose is this information used?

Brewers or their agents complete the appropriate portions of TTB F 5130.6 to make drawback claims for tax-paid domestic beer subsequently exported. Customs officers or U.S. Armed Forces officers certify, as appropriate, the beer's exportation, use as supplies on vessels or aircraft, or receipt for export to the Armed Forces of the United States.

TTB F 5130.6 provides TTB with documentation that the beer in question was produced and taxpaid within the United States, and that the claimant is entitled to drawback of the excise tax paid. TTB uses the information collected on the form to verify and approve brewers' claims for drawback of excise tax and is used to prevent fraudulent claims. As such, the information collected on TTB F 5103.6 is necessary to protect the revenue.

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 5130.6 is available as a fillable-printable form on the TTB website at <https://www.ttb.gov/forms/5000.shtml>.

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?

TTB F 5130.6 contains information pertinent to each respondent and applicable to the specific issue of each respondent's claim for drawback on tax-paid beer subsequently exported. 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, are required by the TTB regulations to file TTB F 5130.6 to claim drawback on tax-paid beer that is subsequently exported. TTB uses the information collected on this form to determine whether drawback of excise tax should be paid to the claimant, and the collected information is necessary to ensure that claimants do not receive tax refunds to which they are not entitled. Waiver or reduction of this requirement, simply because the respondent's business is small, could cause fraudulent or improper drawback claims to be paid, which 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?*

Brewers or their agents file TTB F 5130.6 only on an as-needed basis to make drawback claims for exported tax-paid beer. Elimination of this information collection would jeopardize the revenue as TTB would not be able to process and verify claims for drawback of tax on exported tax-paid beer.

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?*

Under 5 CFR 1320.5(d)(2)(iii), requiring respondents to submit more than an original and two copies of any document is a special circumstance. The instructions for TTB F 5130.6 require respondents to prepare the form in quadruplicate for the products of each brewer. The brewer or the brewer's agent forwards the original and one copy to the customs or U.S. Armed Forces officer who will certify the exportation of the beer in question, forwards one copy to TTB's National Revenue Center, which serves as notice of the beer's exportation, and retains one copy for filing. The certifying officer then completes the appropriate portions of the two copies of the form he or she received, returning one to TTB's National Revenue Center and retaining one for filing.

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 Thursday, July 13, 2017, at 82 FR 32441. 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 these records in secure file rooms and computer systems 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 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?*

Based on data provided by TTB's National Revenue Center, which processes drawback claims for exported beer made on TTB F5130.6, annually, there are an estimated 100 respondents to this information collection, each filing an average of 24 responses, for a total of 2,400 annual responses. TTB estimates that each response requires one hour to complete, resulting in an annual estimated total burden of 2,400 hours.

(100 respondents x 24 responses = 2,400 annual responses x 1 hour per response = 2,400 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)?*

The total annual costs to respondents associated with this collection are allocated entirely to operations and maintenance. TTB estimates these costs as approximately \$192 per respondent per year, resulting in a total cost estimate of \$19,200 for this information collection.

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

Estimates of annual cost to the Federal Government are:

Clerical costs	600
Other Salary costs (review, supervisory, etc.)	6,800
TOTAL COSTS	\$7,400

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's forms page at <https://www.ttb.gov/forms/5000.shtml>.

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

There are no program changes associated with this collection. As for adjustments, due to a change in agency estimates, TTB is decreasing the number of total annual responses to this

information collection, from 5,000 to 2,400. According to the most recent data available from TTB's National Revenue Center, which processes TTB F 5130.6 forms received by TTB, the bureau does not receive as many TTB F 5130.6 forms each year as previously estimated.

As for changes to the TTB F 5130.6 form, TTB is updating its headquarters mailing address in the Paperwork Reduction Act notice displayed on the 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?

TTB will display the expiration date of OMB approval for this collection on TTB F 5130.6.

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.