

**DEPARTMENT OF THE TREASURY**

**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

**Supporting Statement --- Information Collection Request**

**OMB Control Number 1513-0131**

**Certificate of Taxpaid Alcohol**

**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 Order 120-01.

As provided by 19 U.S.C. 1313(d), flavoring extracts, medicinal and toilet preparations, and perfumes produced in the United States and then exported are eligible for drawback (refund) of all Federal excise taxes paid on the distilled spirits used to make those products. Under the TTB regulations at 27 CFR 17.181, respondents make such nonbeverage product export drawback claims to U.S. Customs and Border Protection (CBP) under its regulations. These claims to CBP may cover the full amount of excise tax paid on the distilled spirits in question if the respondent has made no previous nonbeverage drawback claim to TTB under 26 U.S.C. 5114, which allows for drawback of all but \$1.00 per proof gallon of the distilled spirits excise taxes paid, or the claim may cover the remaining \$1.00 per proof gallon of excise tax paid if the respondent has or will file a claim with TTB under 26 U.S.C. 5114. (Such drawback claims made to TTB are filed on TTB F 5620.8, approved under OMB control number 1513-0030.)

When respondents wish to make a nonbeverage product export drawback claim to CBP, they first submit form TTB F 5100.4, Certificate of Taxpaid Alcohol, to TTB. On that form, the respondent lists the source and amount of the distilled spirits used in the manufacture of the exported products and the amount of excise taxes claimed for drawback. The respondent sends the form to TTB, which examines and verifies the supplied information. If verified, TTB certifies on the form that no previous certificate of taxpaid alcohol has been made for the listed distilled spirits. TTB returns the certified form to the respondent, who then submits it to CBP as part of the respondent's export drawback claim. The verification and certification by TTB of information provided on TTB F 5100.4 prevents the payment of duplicate nonbeverage product export claims by CBP and TTB, and, as such, this information collection is necessary to protect the revenue.

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?*

When a respondent wishes to make a nonbeverage product export drawback claim to CBP, they first submit form TTB F 5100.4, Certificate of Taxpaid Alcohol, to TTB's National Revenue Center (NRC). On that form, the respondent lists the source and amount of the distilled spirits used in the manufacture of the exported nonbeverage products and the amount of excise taxes claimed for drawback. Upon submission of the form, NRC personnel examine and verify the provided information to ensure that no duplicate drawback claims have been made for the excise taxes in question. If verified, the NRC certifies on the form that no previous certificate of taxpaid alcohol has been issued for the listed distilled spirits. The NRC then returns the certified form to the respondent, who then submits it to CBP as part of the respondent's export drawback claim. The verification and certification by TTB of information provided on TTB F 5100.4 prevents the payment of duplicate nonbeverage product export claims by CBP and TTB, and, as such, this information collection 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 5100.4 is available as a fillable-printable form on the TTB Web site at <http://www.ttb.gov/forms/index.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 uses TTB F 5100.4 to collect information that is pertinent and unique to each nonbeverage product export drawback claim made under the provisions of 19 U.S.C. 1313(d). As far as TTB can determine, verified information regarding the source and amount of distilled spirits used in the manufacture of exported nonbeverage products and the amount of excise taxes paid and claimed on them is not available to CBP elsewhere.

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

All nonbeverage product export drawback claimants, regardless of size, are required by CBP to submit this certification form. The information required on TTB F 5100.4 submitted as part of such claims is minimal and cannot be waived or reduced simply because the respondent's business is small.

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 requiring nonbeverage product export drawback claimants to file the certification required on TTB F 5100.4 with CBP could result in the payment of duplicate drawback claims by CBP and TTB, causing jeopardy to the revenue.

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?*

No special circumstances are 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 regarding this information collection, TTB published a "60-day" comment request notice in the Federal Register on Tuesday, November 27, 2018, at 83 FR 60963. 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 TTB F 5100.4. However, Federal law at 26 U.S.C. 6103 prohibits disclosure of tax related information unless disclosure is specifically authorized by that section. TTB maintains its copy of this form in secure office space with controlled access and in password-protected computer systems.

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?*

Based on recent experience, TTB estimates that 10 respondents will file one occasional nonbeverage product export drawback certification request on TTB F 5100.4 annually, resulting in 10 annual responses. TTB also estimates that a respondent will require 0.5 hours (30 minutes) to complete each form, resulting in a total of 5 annual burden hours.

(10 respondents x 1 annual response = 10 responses x 0.5 hours per response = 5 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)?*

We do not believe respondents bear any additional capital or start-up costs or any increased operation or maintenance costs as a result of this information collection requirement.

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

Estimates of annual cost to the Federal Government are:

Clerical costs	\$50.00
Other Salary costs (review, supervisory, etc.)	200.00
<b>TOTAL COSTS</b>	<b>250.00</b>

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 Web site at <http://www.ttb.gov/forms/index.shtml>.

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, due to changes in agency estimates, TTB is decreasing the average number of annual responses made by each respondent from 10 to one, and, as a result, is decreasing the number of annual burden hours associated with this information collection from 100 to five. There are no changes to form TTB F 5100.4.

16. *Outline plans for tabulation and publication for collections of information whose results will be published.*

TTB will not publish the results of this information 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 requests approval not to display the expiration date for OMB approval of this information collection on form TTB F 5100.4. By not displaying this collection's expiration date on that form, TTB will not have to update the fillable-printable version of the form posted on its website each time this information collection is reapproved. Similarly, businesses and individuals 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 TTB-regulated businesses or proprietors.

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.