

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement -- Information Collection Request

OMB Control Number 1513-0004

**Authorization to Furnish Financial Information and Certificate of Compliance
(TTB F 5030.6)**

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 the Federal Alcohol Administration Act (FAA Act, 27 U.S.C. 201 *et seq.*), and the alcohol and tobacco provisions of the Internal Revenue Code of 1986, as amended (IRC, 26 U.S.C. chapters 51 and 52), pursuant to section 1111(d) of the Homeland Security Act of 2002 (6 U.S.C. 531(d)). The Secretary of the Treasury (the Secretary) also has delegated certain FAA Act and IRC administrative and enforcement authorities to TTB via Treasury Order 120-01.

In general, persons who desire to engage in certain alcohol or tobacco operations must obtain a permit; see the FAA Act at 27 U.S.C. 203 and 204 (beverage alcohol) and the IRC at 26 U.S.C. 5171 and 5271 (nonbeverage distilled spirits) and 26 U.S.C. 5712 and 5713 (tobacco products and processed tobacco). Among other things, those statutes allow the Secretary to reject a permit application if the applicant, including a corporate officer, director or principal stockholder, does not possess the financial standing necessary to conduct their operations in compliance with Federal law. Under those statutory authorities, the TTB regulations authorize the investigation of permit applicants, during which TTB may request applicants to demonstrate that they have the required financial standing; see 27 CFR §§ 1.24 and 1.25 (beverage alcohol operations), §§ 19.92 and 19.96 (nonbeverage distilled spirits operations), §§ 40.74 and 40.498 (tobacco product and processed tobacco manufacturers), §§ 41.198 and 41.238 (tobacco product and processed tobacco importers), and § 44.92 (export warehouse proprietors).

However, the Right to Financial Privacy Act of 1978 (the Act; 12 U.S.C. 3401-3422) limits the Federal Government's access to the records of individuals held by financial institutions. The Act provides that a person may authorize a financial institution to disclose their individual records to a Federal agency, but it also requires the agency to certify to the institution that the agency has complied with the Act. If TTB requests access to records of an applicant held by a financial institution during a permit investigation, to meet the Act's requirements, the applicant uses form TTB F 5030.6 to authorize the institution to disclose the specified personal records to TTB for a period not to exceed 3 months. TTB also uses that form to certify to the financial institution that the agency has complied with the Act, which relieves the institution of any liability regarding disclosure of the applicant's records.

This information collection is aligned with:

- Line of Business/Sub-function: Law Enforcement/Taxation/Substance Control.
- IT Investment: None.

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

During an alcohol or tobacco permit investigation, TTB may require a permit applicant to demonstrate that they have the financial standing necessary to conduct their operations in compliance with Federal law. To comply with provisions of the Right to Financial Privacy Act of 1978 restricting Federal agency access to the records of individuals held by financial institutions, a permit applicant may authorize such an institution to disclose certain personal records to TTB for a period not to exceed 3 months by completing section A of TTB F 5030.6. In turn, TTB provides the required certification of the agency's compliance with the Act to the financial institution by completing section B of the form, which relieves the institution of any liability regarding disclosure of the applicant's listed records. To gain access to the applicant's specified records, TTB sends the completed form to the named financial institution. TTB also provides a copy of the form to the permit applicant, and it retains a copy for its investigative file.¹

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 5030.6 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?

The financial record access authorization and compliance certification provided on TTB F 5030.6 is pertinent and unique to each permit applicant. As far as TTB can determine, such authorizations and certifications are not available elsewhere.

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

To comply with the Right to Financial Privacy Act of 1978, TTB uses the information and certification provided on TTB F 5030.6 to lawfully access the personal records of permit applicants held by financial institutions. The required information is minimal and cannot be waived or reduced simply because an applicant's business is small.

¹ This information collection only concerns the financial record access authorization and compliance certification provided on TTB F 5030.6. TTB's collection of the actual financial information during a permit investigation is approved under other OMB Control Nos., including 1513-0018 and 1513-0019 for new and amended alcohol beverage-related permits, respectively, 1513-0040 for nonbeverage distilled spirits-related permits, and 1513-0078 for tobacco product- and processed tobacco-related permits.

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 the access authorization and certification provided on TTB F 5030.6, TTB would not be able to obtain alcohol or tobacco permit applicant records held by financial institutions in compliance with the Right to Financial Privacy Act of 1978. Without lawful access to such records, TTB could not determine if permit applicants have the financial standing necessary to maintain their operations in compliance with Federal law, which could jeopardize the revenue. Applicants complete this information collection only when requested to do so by TTB during permit investigations, and, as such, it cannot be conducted less frequently.

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 that would require it to be inconsistent with OMB guidelines.

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 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 information collection.

10. *What assurance of confidentiality was provided to respondents, and what was the basis for the assurance in statute, regulations, or agency policy?*

TTB F 5030.6 contains a "Statement of Customer Rights under the Right to Financial Privacy Act of 1978" describing the confidentiality of personal records held by a financial institution and how a Federal agency may obtain such records. In addition, personnel financial information is generally exempt from disclosure under the Federal of Information Act, and the IRC at 26 U.S.C. 6103 prohibits disclosure of taxpayer information unless disclosure is specifically authorized by that section. TTB maintains its copies of these forms in secure office space and 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 request contains no questions of a sensitive nature. In addition, this request does not collect personally identifiable information (PII) in a Government electronic system. Therefore, no Privacy Impact Assessment (PIA) or System of Records Notice (SORN) is required for this information collection request.

12. *What is the estimated hour burden of this collection of information?*

TTB no longer requires every permit applicant to complete TTB F 5030.6 as part of a permit investigation as most applicants provide copies of bank statements and other financial records directly to TTB. Based on the recent experience of TTB personnel involved in permit application investigations, TTB estimates that, annually, 240 respondents complete this form one time, taking 15 minutes to do so, resulting in 60 total annual burden hours.

(240 annual respondents x 1 response each x 15 minutes per response = 60 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)?*

There are no annualized costs to the respondent associated with this information collection.

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

The estimated annual costs to the Federal Government for this information collection are:

Clerical costs	450.00
Other Salary costs (review, supervisory, etc.)	830.00
TOTAL COSTS	1,280.00

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 or adjustments associated with this information collection, and there are no changes to its collection instrument, TTB F 5030.6.

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 is seeking approval not to display the expiration date for OMB approval of this information collection on TTB F 5030.6. By not displaying that expiration date on that form, TTB will not have to update the form in its electronic systems and on its website pages each time OMB approves this information collection request. Similarly, TTB-regulated businesses will not have to update their stocks of paper forms or alter electronic copies of the form they may process. Also, not displaying the OMB approval expiration date on the form will avoid confusion among those who may process copies of the form with different expiration dates displayed on them.

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.