

**DEPARTMENT OF THE TREASURY**

**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

**Supporting Statement -- Information Collection Request**

**OMB Control Number 1513-0080**

**Distilled Spirits Plant Equipment and Structures (TTB REC 5110/12).**

**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 (the Secretary) has delegated certain IRC administrative and enforcement authorities to TTB through Treasury Order 120–01.

Under the IRC at 26 U.S.C. 5001, Federal excise tax is imposed on distilled spirits, other than those used for certain authorized industrial or nonbeverage purposes, produced or imported into the United States. To safeguard that tax revenue and facilitate inspections, the IRC at 26 U.S.C. 5178 authorizes the Secretary to issue regulations regarding the location, construction, and arrangement of distilled spirits plants (DSPs), including requirements for the identification of their distilling apparatus, pipes, pumps, tanks, and machinery. The IRC at 26 U.S.C. 5180 also requires each DSP proprietor to post an exterior sign at their place of business identifying the proprietor, and the business or businesses in which the proprietor is engaged. In addition, 26 U.S.C. 5206 requires that containers of distilled spirits be “marked, branded, or identified” in such manner as the Secretary prescribes.

Under those IRC authorities, TTB has issued regulations in 27 CFR Part 19, Distilled Spirits Plants, concerning the identification of DSP locations, equipment, structures, and bulk containers. Specifically, § 19.189 requires the placement of identification marks on DSP buildings, tanks, stills, fermenters, cookers, yeast tanks, and other major equipment, while § 19.191 implements the statutory requirement for an exterior identification sign at DSPs. Under § 19.478(a)(3), tank cars and tank trucks used by DSPs as bulk conveyances for distilled spirits must be permanently and legibly marked with an identification number, their capacity in wine gallons, and the name or symbol of their owner.

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?*

To safeguard the revenue and to facilitate inspections, TTB field personnel use the required signs and marks to identify a specific DSP, its structures, equipment, and bulk conveyances, and their uses and capacities.

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 believes that improved information technology is not adaptable to exterior DSP signs or permanently marking DSP structures, equipment, and bulk conveyances.

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?*

Efforts to identify duplication are not applicable to marking of DSPs, or their structures, equipment, and bulk conveyances.

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

The marking of a DSP's location, structures, equipment, and bulk conveyances is a one-time or as needed requirement, and, as such this information collection is not susceptible to reduced requirements for small business.

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?*

The marking of a DSP's location, structures, equipment, and bulk conveyances is a one-time or as needed requirement, and, as such, the frequency of this collection cannot be reduced, only eliminated. If this information collection were eliminated, TTB would not be able to readily identify DSPs or their structures, equipment, bulk conveyances. This would jeopardize the revenue and harm TTB's ability to effectively inspect DSP premises and operations.

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? (See 5 CFR 1320.5(d)(2).)*

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 May 21, 2019, at 84 FR 23157. 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?*

An assurance of confidentiality is not applicable to this information collection because it consists of signs and marks placed by DSP proprietors at their premises or on their bulk conveyances.

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, which consists of signs and marks placed by DSP proprietors at their premises and on their bulk conveyances, 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?*

Currently, TTB estimates that it regulates 3,160 DSPs, each of which makes one annual response to this information collection, for a total of 3,160 annual responses. TTB believes, however, that the placing of the signs and marks at DSPs required under this information collection is a usual and customary business practice that DSP proprietors would undertake, even without the TTB regulatory requirement to do so, in order to identify their premises, structures, equipment, and bulk conveyances. Therefore, in accordance with 5 CFR 1320.3(b)(2), there is no annual burden to respondents associated with this third-party disclosure information collection.

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)?*

As a usual and customary business practice, there is no additional cost to respondents associated with the placement of the DSP signs and marks required under this information collection.

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

Because this the required signs and marks are placed by DSP proprietors at their premises, there is no cost to the Federal Government associated with this information collection.

*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, caused by continued growth in the number of DSPs regulated by TTB, the Bureau is increasing the estimated number of annual respondents and responses to this information collection, from 2,220 to 3,160. However, as a usual and customary information collection, there is no corresponding increase in its estimated total annual burden hours, which remain zero. (TTB is removing the 1 hour of annual burden previously reported as a place holder for this usual and customary record collection requirement.)

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

TTB does not publish the results of this third-party disclosure information collection, which consists of signs and marks placed by DSP proprietors at their premises or on their bulk conveyances.

*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?*

This information collection consists of signs and marks placed by DSP proprietors at their premises or on their bulk conveyances, and, as such, it has no prescribed TTB form for this collection. Therefore, there is no medium for TTB to display the collection's OMB approval expiration date.

*18. What are the exceptions to the certification statement?*

- (c) See item 5 above.
- (i) No statistics are involved.
- (j) See item 3 above.

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

This information collection does not employ statistical methods.