

**DEPARTMENT OF THE TREASURY**

**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

**Supporting Statement -- Information Collection Request**

**OMB Control Number 1513-0117**

**Pay.gov User Agreement**

**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 Department Order 120–01.

The Government Paperwork Elimination Act (Pub. Law 105–277, sec. 1702–1710) requires Federal agencies to provide the public with options for submitting information to them electronically, and the Office of Management and Budget has issued guidance regarding such electronic systems. Also, the IRC, at 26 U.S.C. 6011(f), authorizes the Secretary to encourage the use of electronic tax administration programs, and, at 26 U.S.C. 6061(b) and 7505(c), the IRC authorizes the Secretary to issue regulations regarding, respectively, acceptance of electronic signatures and evidence of the timely delivery of electronic filings.

Under those authorities, TTB has issued regulations in 27 CFR part 73 regarding electronic signatures and electronic submission of forms. Specifically, 27 CFR 73.31 provides that a person may satisfy any TTB form submission requirement by filing an electronic form or by electronically submitting a copy of a paper form, provided that the person does so through a system designated by TTB and, if required, is registered to use that system.

The Pay.gov system, which the Department of the Treasury's Bureau of the Fiscal Service operates, allows businesses and individuals to pay certain Federal taxes and fees, file tax returns, and submit various reports and requests electronically. TTB provides access to Pay.gov and instructions for its use on the TTB website at <https://www.ttb.gov/epayment>. Alcohol and tobacco taxpayers or their authorized representatives may use Pay.gov on a voluntary basis to pay excise taxes, file tax returns, and submit certain operations and production reports electronically. Individuals wishing to use the Pay.gov system for such TTB-related purposes must apply to use the system by completing TTB F 5000.31, Pay.gov User Agreement. The use of Pay.gov allows TTB-regulated alcohol and tobacco industry members to interact with TTB in a more efficient, timely, and less costly manner than traditional paper-based methods. This information collection is necessary to protect the

Pay.gov system from misuse as it allows TTB to identify and qualify users of its portion of that electronic system.

This information collection is aligned with —

- Line of Business/Sub-function: General Government / Taxation Management.
- IT Investment: Pay.gov and Tax Major Application systems.

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

TTB uses the respondent information provided on TTB F 5000.31, Pay.gov User Agreement, to identify the respondent, verify their authority to act for the business in question, confirm that the respondent agrees to the Pay.gov system's terms and conditions of use, and register the respondent as a user of TTB's portion of the Pay.gov system. After TTB approves a respondent's access request, it provides the respondent with a user name and password for the Pay.gov system.

*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 makes TTB F 5000.31 available as a fillable-printable form on the TTB website at <https://www.ttb.gov/forms>.

*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 this collection to ensure that it give access to the Pay.gov system only to persons qualified to act on behalf of an alcohol or tobacco industry member, and to ensure that those persons agree to the terms and conditions of the system's use. Similar information is not available to TTB elsewhere.

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

The use of the Pay.gov system is voluntary and user applicants complete this information collection only one time, with a minimal time burden. As such, this information collection does not have a significant impact on small businesses or entities. The use of the Pay.gov system provides TTB permittees with an internet-based, electronic method for interacting with the bureau, which may benefit small businesses.

*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 Federal Government requires its agencies to provide the public with electronic methods for the submission of information to them. Without this information collection, TTB would not be able to grant users access to its portion of the internet-based Pay.gov system, and TTB-regulated businesses would not be able to electronically pay alcohol and tobacco excise taxes, file tax returns, and submit certain operations and production reports to TTB. In addition, because each respondent completes this information collection only once, TTB cannot conduct this collection 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.

*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 public, TTB published a "60-day" comment request notice for this information collection in the Federal Register on September 3, 2020, at 85 FR 55067. 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?*

The Pay.gov User Agreement, TTB F 5000.31, includes the following statement regarding confidentiality:

**Confidentiality of returns and return information:** Section 6103, Title 26, United States Code prohibits the disclosure of tax return(s) or return information (as defined in Section 6103) except in specifically proscribed circumstances and provides civil and criminal penalties for the unlawful disclosure of such information. However, Section 6103(c) permits the disclosure of return information to a designee of the taxpayer upon the taxpayer's request. The user and the User Company consent that this Agreement constitutes a request for disclosure to the User Company's designee(s) under Section 6103(c). Further, the User Company agrees that accessing the Pay.gov system by means of the assigned username constitutes an affirmative waiver of all claims under Section 6103, Title 26 United States Code with respect to any return information transmitted during the online access session.

In addition, the form includes a Privacy Act Statement explaining what TTB uses the requested information for and to whom and for what purposes the information TTB may disclose the collected information. TTB maintains these forms and the collected information 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. TTB F 5000.31 does, however, collect personally identifiable information (PII) in an electronic system, specifically, the names, email addresses, and telephone numbers of persons requesting access to TTB’s portion of the Pay.gov system. TTB has conducted a Privacy Impact Assessment (PIA) for the collected PII as part of the PIA for its Tax Major Application. That application is included within TTB .001–Regulatory Enforcement Record System, and TTB published a Privacy Act System of Records Notice (SORN) for that system in the Federal Register on January 28, 2015, at 80 FR 4637. Links to TTB’s PIAs and SORN are available on the TTB website at <https://www.ttb.gov/foia>.

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

Estimated Respondent Burden: Based on recent data, TTB estimates that, annually, 2,000 respondents will submit this information collection one time, for 2,000 total responses. TTB further estimates that each response will take 15 minutes (0.25 hour) to complete, for a total annual burden of 500 hours.

Estimated Respondent Labor Costs: TTB estimates the annual per-respondent and total respondent labor costs for this information collection as follows:

<b>NAICS 312000 - Beverage &amp; Tobacco Product Manufacturing – Office &amp; Administrative Support Occupations – Fully-loaded Labor Rate/Hour<sup>1</sup> = \$29.65</b>						
Information Collection	Avg. Time / Response	Labor Cost / Response	Responses / Respondent	Labor Costs / Respondent	Total Responses	Total Labor Costs
Pay.gov User Agreement (TTB F 5000.31)	0.25 hr.	\$7.42	1	\$7.42	2,000	\$14,840.00

Respondent record retention: There is no regulatory record retention requirement for this information collection. Respondents may keep record copies of their TTB F 5000.31 forms at their discretion.

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)?*

<sup>1</sup> Private Sector Fully-loaded Labor Rate = Hourly wage rate + benefit costs, calculated as hourly wage x 1.44 to account for benefit costs. Per the most recent U.S. Department of Labor, Bureau of Labor Statistics, data for National Industry-Specific Occupational Employment and Wage Estimates for NAICS 312000—Beverage and Tobacco Product Manufacturing, the average fully-loaded labor rate per hour for Office and Administrative Support Occupations is \$29.65 (\$20.59 in wages plus \$9.06 in benefit costs). See the Bureau of Labor Statistics website at [https://www.bls.gov/oes/current/naics3\\_312000.htm](https://www.bls.gov/oes/current/naics3_312000.htm).

There are no annual, non-labor costs to respondents associated with this one-time collection of readily available identification data. As for mailing costs, TTB estimates that 2,000 respondents file 1 response per year, with each response resulting in \$2.00 in postage and mailing supplies. Annually, this results in \$2.00 per respondent in mailing costs and \$4,000.00 in total mailing costs for this information collection.

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

TTB has determined that there are no annual, non-labor costs to the Federal Government associated with this information collection. Printing and distribution costs to the Federal Government have decreased to \$0.00 in due to the availability of TTB forms to the public on its website's forms page at <https://www.ttb.gov/forms/>.

TTB estimates the annual labor costs to the Federal Government for this information collection as follows:

<b>Labor Costs for Personnel at TTB's National Revenue Center in Cincinnati, Ohio*</b>					
Position	Fully-loaded Labor Rate/Hour <sup>2</sup>	Processing Time per Response	Labor Costs per Response	Total Responses	Total TTB Labor Costs
GS-12, Step 5, Specialist	\$70.61	0.25 hour	\$17.65	2,000	\$35,300.00

\* Costs rounded to the nearest whole cent.

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 a change in agency estimates, TTB is increasing the estimated number of annual respondents, responses, and burden hours associated with this information collection. Specifically, TTB is increasing the number of annual respondents and responses from 950 to 2,000 each, and the estimated total annual burden from 79 to 500 hours. The increase in burden hours results from the increase in the number of responses, as well as from an increase in the per-response burden, from 5 to 15 minutes. TTB believes the 5 minutes per-response burden previously reported for this collection resulted from a typographic error on TTB F 5000.31.

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<sup>2</sup> Federal Government Fully-loaded Labor Rate = Hourly wage rate x 1.63 to account for benefit costs. Per the most recent Office of Personnel Management (OPM) wage data, the fully-loaded labor rate for a GS-12, Step 5, employee in the Cincinnati, Ohio, wage area is \$70.61 (\$43.32 in wages plus \$27.29 in benefit costs). See the OPM website at [https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/20Tables/html/CIN\\_h.aspx](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/20Tables/html/CIN_h.aspx).

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 public, TTB is seeking approval not to display the expiration date for OMB approval of this information collection on its related form, TTB F 5000.31. By not displaying that date on the form, TTB will not have to update the form on its website each time OMB reapproves this information collection. Similarly, respondents and other businesses will not have to update stocks of the paper form, self-produced electronic copies of the form, or versions of the form made for sale to other businesses. Additionally, not displaying the information collection's OMB approval expiration date on the form will avoid confusion among members of the public who may have copies of the form with different expiration dates in their possession.

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 information collection does not employ statistical methods.