

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
Supporting Statement -- Information Collection Request
OMB Control Number 1513-0135

Information Collection Request Title:

Specific and Continuing Export Bonds for Distilled Spirits and Wine.

Information Collections Issued under this Title:

- Specific Export Bond—Distilled Spirits or Wine (TTB F 5100.25)
- Continuing Export Bond—Distilled Spirits and Wine (TTB F 5100.30)

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 IRC, at 26 U.S.C. 5175, requires exporters, other than proprietors of distilled spirits plants, who withdraw distilled spirits from such plants without payment of tax for exportation or transfer to a customs bonded warehouse to furnish a bond to cover such withdrawal, under such regulations as the Secretary may prescribe. The IRC, at 26 U.S.C. 5214, also authorizes the withdrawal of distilled spirits from the bonded premises of a distilled spirits plant, without payment of excise tax, for exportation, use on certain vessels or aircraft, transfer to a foreign trade zone, or transfer to a customs bonded warehouse pending exportation, subject to such regulations as the Secretary may prescribe. In addition, the IRC, at 26 U.S.C. 5362(c), provides for the withdrawal of wine from bonded wine cellars, without payment of excise tax under those same circumstances, under such regulations and bonds as the Secretary finds necessary to protect the revenue.

Under the authority of those IRC sections, the TTB alcohol export regulations in 27 CFR part 28 allow the withdrawal of distilled spirits (§ 28.91) and wine (§ 28.121) from bonded premises, without payment of tax, for exportation, use on certain vessels or aircraft, or transfer to a foreign trade zone or customs bonded warehouse pending exportation. (Those various actions are hereafter referred to collectively as "exportation.") To protect the

revenue, the part 28 regulations also require distilled spirits and wine exporters, other than bonded proprietors of such premises, to furnish an export bond. To provide such exporters with options based on individual need, the part 28 regulations allow respondents to file either a specific bond using TTB F 5100.25 to cover a single export shipment (§ 28.61) or a continuing bond using TTB F 5100.30 to cover multiple export shipments made over time from specified premises (§ 28.62).

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?

Personnel at TTB's National Revenue Center (NRC) examine export bonds provided on TTB F 5100.25 or F 5100.30 to insure the amount of the bond is adequate to cover the excise tax liability on the distilled spirits and wine withdrawn from bonded premises by respondents for exportation. The NRC retains those bond forms until the exportation of the distilled spirits and/or wine is completed and verified (through other information collection requirements) and no excise tax liability remains.

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 5100.25 and F 5100.30 are available at no cost 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 F 5100.25 and F 5110.30 collect information pertinent to each respondent and applicable to the specific issue of providing bond coverage for distilled spirits and wine withdrawn from bonded premises without payment of tax by exporters other than proprietors of bonded premises. As far as TTB can 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?

Regardless of size, the IRC or the TTB regulations require exporters of distilled spirits and/or wine, other than proprietors of distilled spirits plants and bonded wine cellars, to provide an export bond when they withdraw such products from bonded premises without payment of tax. Waiver or reduction of this requirement, simply because the respondent's business is small, would jeopardize the revenue. However, to provide exporters with flexibility in meeting this bond requirement based on their individual needs, the TTB regulations allow

exporters to file either a specific bond on TTB F 5100.25 to cover a single shipment or a continuing bond on TTB F 5100.30 to cover multiple shipments made over time from a specified premise.

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?*

Respondents subject to this information collection requirement file an export bond only on an as-needed basis. Not requiring bond coverage for exports of distilled spirits and/or wine removed by a person other than a bonded proprietor is contrary to statutory and regulatory requirements and would jeopardize 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? (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 public, TTB published a “60-day” comment request notice regarding this information collection in the Federal Register on June 15, 2021, at 86 FR 31818. 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 provides no specific assurance of confidentiality for this information collection requirement. 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 that section specifically authorizes such disclosure. 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 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?*

Estimated Respondent Burden: Based on recent experience, TTB estimates that 10 respondents will complete the specific export bond form, TTB F 5100.25, once per year and that 10 respondents will complete the continuing export bond form, TTB F 5100.30, once per year, for a total of 20 annual respondents and 20 annual responses to this information collection request. TTB further estimates that each of the 20 respondents will require 1 hour per response to respond, resulting in an estimated total annual burden of 20 hours.

Estimated Respondent Labor Costs: TTB estimates respondent labor costs for this information collection as follows:

Respondent Labor Costs: NAICS 424800 – Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers –Office & Administrative Support Occupations* Fully-Loaded Labor Rate = \$30.54¹				
Collection	Avg. Time / Response	Cost per Response & per Respondent	Total Annual Responses	Total Labor Costs
F 5100.25 (Specific Bond)	1 hour	\$30.54	10	\$305.40
F 5100.30 (Continuing Bond)	1 hour	\$30.54	10	\$305.40
TOTALS	1 hour	\$30.54	20	\$610.80

Respondent Record Retention: The TTB regulations at § 28.45 require respondents to maintain file copies of the forms required by part 28 for a minimum of 2 years, and available for TTB inspection.

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)?*

TTB believes there are no annualized start-up or ongoing operation or maintenance costs to respondents for this occasional information collection. TTB estimates annual respondent

¹ The Fully-loaded Labor Rate = Hourly wage rate + benefit costs, which, for the private sector, is calculated as hourly wage x 1.44. 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 424800 – Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers, the average fully-loaded labor rate per hour for Office and Administrative Support Occupations (43–0000) is \$30.54 (\$21.21 for hourly wages plus \$9.33 for benefit costs); see https://www.bls.gov/oes/current/naics4_4240A1.htm.

mailing costs to be no more than \$2.00 per response and respondent, and \$40.00 in total for this information collection.

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

TTB estimates its annual labor costs for this information collection as follows:

Labor Costs for Personnel at TTB’s National Revenue Center in Cincinnati, Ohio, for OMB No. 1513–0135*					
Position	Fully-loaded Labor Rate/Hour ²	Processing Time per Response	Labor Costs per Response	Total Responses	Total TTB Labor Costs
GS–5, Step 5, Clerk	\$35.13	6 minutes	\$3.51	20	\$70.20
GS–13, Step 5, Supervisor	\$91.79	20 minutes	\$30.60		\$612.00
TOTALS	(\$78.72)	26 minutes	\$34.11	20	\$682.20

* Rounded to the nearest cent.

There are no printing and distribution costs to the Government associated with this information collection since there is no prescribed TTB form for the wholesale dealer monthly summary report.

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

There are no program changes or adjustments associated with this information collection at this time.

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 forms, TTB F 5100.25 and TTB F 5100.30. By not displaying that date on those two forms, TTB will not have to update the forms each time OMB reapproves this information collection. Similarly, respondents and other businesses will not have to update stocks of the paper

² 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) hourly wage data, the fully-loaded labor rates for the Cincinnati, Ohio, wage area are: (1) GS–5, step 5, employee = \$35.13 (\$21.55 in wages plus \$13.58 in benefit costs); and (2) GS–13, step 5 = \$91.79/hour (\$56.31 in wages plus \$35.48 in benefit costs). See the OPM website at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2021/CIN_h.pdf.

forms, self-produced electronic copies of the forms, or versions of the forms made for sale to other businesses. Additionally, not displaying the information collection's OMB approval expiration date on the forms 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 collection does not employ statistical methods.