

**DEPARTMENT OF THE TREASURY**  
**WASHINGTON, D.C. 20220**



**TO:** Mancini, Acting Administrator, Office of Information and Regulatory

**FROM:** Ryan Law, Deputy Assistant Secretary for Privacy, Transparency, and Records

**SUBJECT:** Justification for Emergency Processing: CBMA Import Refunds Program  
Information Collection (OMB No. 1513–NEW)

Pursuant to the Office of Management and Budget (OMB) procedures established at 5 CFR 1320.13, the Department of the Treasury (Treasury) requests emergency processing for the CBMA Imports Refund Program information collection request, which consists of two web-based electronic information collections: (1) the Foreign Producer Registration and Assignment System; and (2) the CBMA Importer Refund Claims System. Treasury requests approval no later than October 21, 2022 for the reasons described below.

Recently, the Taxpayer Certainty and Disaster Tax Relief Act of 2020 (Tax Relief Act; Division EE of Pub. L. 116–260) made certain amendments to the Internal Revenue Code (IRC) and its Craft Beverage Modernization Act (CBMA) provisions concerning reduced excise tax rates for certain limited quantities of distilled spirits, wines, and beer. Among other things, the Tax Relief Act transferred responsibility for administering the IRC’s CBMA provisions regarding reduced excise tax rates on imported alcohol beverages (hereafter “CBMA tax benefits”) from U.S. Customs and Border Protection (CBP) to the Treasury Department, effective January 1, 2023. In addition, under those amendments, U.S. alcohol beverage importers will no longer be eligible for CBMA tax benefits at the time of an import’s entry. Instead, importers will be required to pay the full excise tax rate to CBP and then subsequently submit refund claims to Treasury to receive their assigned CBMA tax benefits for entries made after January 1, 2023. As such, the Tax Relief Act’s amendments to the IRC codified at 26 U.S.C. 5001(c), 5041(c), and 5051(a) state that a U.S. importer will only be allowed a CBMA tax benefits refund if a foreign producer has elected to assign, and the importer has elected to receive, such benefits in accordance with regulations and procedures issued by the Secretary. Finally, under the new provision at 26 U.S.C. 6038E, foreign producers electing to make such assignments are required to provide the information the Secretary requires by regulation, including information about controlled group structures of such producers.

Under those amended IRC authorities, and authorities delegated to the Alcohol and Tobacco Tax and Trade Bureau (TTB) under Treasury Orders 120–01, 101–05, and 111–02, TTB is responsible for administering the CBMA Import Refunds Program. The CBMA Import Refunds Program information collection request contains two electronic, web-based information collections: (1) the Foreign Producer Registration and Assignment System; and (2) the CBMA Importer Refund Claims System (these systems will be included in “myTTB,” TTB’s online

system for interacting with its regulated industry members). The use of those two collection systems is absolutely essential to allow U.S. importers to submit and receive the excise tax refunds to which they are entitled by statute under the recent amendments to the IRC, and, without those information collection systems, TTB cannot meet its delegated obligation to administer the CBMA importer refund claims program, beginning on January 1, 2023.

While that statutory deadline is several months away, TTB wishes to deploy the Foreign Producer Registration and Assignment System and the CBMA Importer Refund Claims System on its website on October 24, 2022. To that end, TTB published a temporary rule and concurrent notice of proposed rulemaking in the Federal Register on September 23, 2022; see T.D. TTB–186 at 87 FR 58021 and Notice No. 215 at 87 FR 58043. The effective date of the temporary regulations is October 24, 2022. On that date, TTB intends to make the Foreign Producer Registration and Assignment System “live” on its website so that foreign producers may register with TTB and assign their CBMA tax benefits to specific U.S. importers before the transfer of this program from CBP to TTB is effective on January 1, 2023. This will allow time for foreign producers and TTB to resolve any issues with this new information collection system before that statutory deadline. In addition, the CBMA Imports Refund Claims System also must be ready to accept such claims immediately after January 1, 2023. The approval of this new information collection is therefore necessary for TTB to fulfill its statutory responsibility for administering the CBMA import refund program, beginning in 2023.

As such, given this pending statutory deadline and TTB’s preferred date for activating the Foreign Producer Registration and Assignment System, TTB is unable to comply with the normal OMB clearance procedures. Without the earliest possible approval date, foreign producers and U.S. importers will not be able to register with TTB, assign CBMA tax benefits, and submit CBMA tax benefit refund claims as required to by the recent IRC amendments and the issuance of the related TTB regulations.

Therefore, TTB requests OMB emergency approval of the CBMA Import Refunds Program information collection request (containing the Foreign Producer Registration and Assignment System and the CBMA Importer Refund Claims System) no later than October 21, 2022.

The two information collection systems have been beta tested by select foreign producers and U.S. importers, and changes were made to those systems during their development as a result. In addition, as noted above, TTB has published a temporary rule and concurrent notice of proposed rulemaking, which include a request for public comments on the CBMA Imports Refunds Program information collection request and its constituent collection systems.

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