

**Department of Justice**  
**Bureau of Alcohol, Tobacco, Firearms and**  
**Explosives**  
**Supporting Statement**  
**Information Collection Request**  
**OMB 1140-0090**

National Firearms Act (NFA) - Special Occupational Taxes (SOT) - ATF Form 5630.7

**A. Justification**

1. When initiating a business and thereafter on or before July 1 of each year, every importer, manufacturer, and dealer in firearms shall pay a special (occupational) tax for each place of business (26 USC 5801). Since 1972, ATF has been collecting Special Occupational Taxes (SOT) under the National Firearms Act (NFA) (Title 26, USC Chapter 53). Firearms dealers, manufacturers, and importers must pay this tax in order to conduct multiple transfers of specified weapons (such as machine guns) within the tax year. ATF also has collection and programmatic responsibility for three (3) other revenue programs: Federal firearms and explosives licensing; imports; and NFA making and transfer taxes. The NFA making and transfer taxes are assessed under the same statutory authority as the NFA-SOT. The difference is in scope. For instance, under NFA-SOT, firearms dealers, manufacturers, and importers pay an annual tax of \$1000 or \$500 (depending upon business size) for unlimited weapons transfers. However, under NFA making and transfer, the fee is \$200 per weapons transfer. Transferring entities, regardless of the amount paid, must register weapons transfers with ATF. June 2021 ATF deployed the ability to submit and pay on the pay.gov website. January 2022 ATF discontinued the use of ATF F 5630.5R as well as the ATF F 5630.RC.
2. In order to meet the statutory requirements and ensure that payees receive credit for their payments, ATF must have correct information about the taxpayer, including name, mailing address, employee identification number (EIN), business telephone number, and information on the tax class for which payment is being made. All taxpayers must complete the registration and return the Special Tax Registration and Return National Firearms Act (NFA) - ATF Form 5630.7. The tax years extend from July 1, 20XX through June 30, 20XX + 1. All taxpayers must complete the registration and return form (ATF F 5630.7).
3. ATF F 5630.7 is available via [WWW.pay.gov](http://WWW.pay.gov) where the customer may complete the form online and make the payment electronically. If the taxpayer does not use pay.gov; the ATF F 5630.7 is available in a fillable format on the ATF internet site where taxpayers may download and manually complete the form. When the form is manually completed it must be submitted to a lockbox where the payment is processed (*The form must be mailed to: Special Occupational Tax P.O. Box 6200-13, Portland, OR 97228.*). Taxpayers cannot fax the forms to ATF since they must remit their tax payments with the forms to receive proper credit.

4. The Alcohol and Tobacco Tax and Trade Bureau (TTB) SOT forms collect similar information as this collection. However, the TTB's target population is alcohol and tobacco producers, while ATF's target population is firearms dealers, manufacturers and importers. ATF uses a subject classification code to ensure that there is no duplication within ATF.
5. The collection does not impact small businesses since all organizations, regardless of size, must pay the required tax to transfer selected weapons.
6. Without this information collection, ATF would be unable to validate or allow the transfer selected weapons between organizations.
7. This information collection requirement is conducted in a manner consistent with 5 CFR 1320.6.
8. Both a 60 and 30-day notice were published in the Federal Register for this Information Collection. No comments were received during this notice period.
9. No payment or gift is associated with this collection.
10. Confidentiality is not assured. The respondents' information is maintained in secured location.
11. No questions of a sensitive nature are asked. ATF requests that taxpayers correct the employer identification number (EIN) for their businesses, to ensure that the trade entity is properly identified and credited for all tax payments made.
12. ATF Form 5630.7 must be completed in its entirety by the taxpayer. In SOT Tax Year 2022 there were approximately 16,659 taxpayers annually, and it will take each of them 15 minutes to complete their responses. Therefore, the total burden associated with this form is 4,164 hours, which is equal to .25 (15 minutes)\* 16,659 (# taxpayers).
13. The estimated cost for all 16,659 respondents to mail the SOT form (ATF Form 5630.7) is \$.63 per person. Therefore the public cost associated with this IC is \$10,495.
14. It is estimated that it will cost \$3,331 to the Federal Government to print a total of 16,659 copies of the forms.
15. The adjustments associated with the collection includes a decrease in the total respondents by 341 and total burden hour decrease by 2,251, since the last renewal in 2020. Due to less respondents, the public cost burden has also decreased by \$ 1,504.
16. The results of this collection will not be published.
17. ATF does not request approval to not display the expiration date of OMB approval for this collection.

18. There are no exceptions to the certification statement.

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

None.