

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement — Information Collection Request

OMB Control Number 1513–0003

Referral of Information

Changes Since Last Approval

Changes made to the Supporting Statement since this collection's last approval:

- In Question 8, TTB is updating the 60-day notice publication information for this information collection.
- In Question 12, based on the latest data available, TTB is updating the respondent burden estimate and respondent labor costs for this information collection.
- In Question 14, based on the latest data available, TTB is updating its labor costs for this information collection.
- In Question 15, TTB describes the decrease in the annual burden estimate for this information collection.

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 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.). TTB also administers the Federal Alcohol Administration Act (FAA Act, 27 U.S.C. chapter 8), which governs alcohol industry permits, marketing, and trade practices. TTB administers those laws 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 and FAA Act administrative and enforcement authorities to TTB via Treasury Department Order 120–01. The TTB regulations issued under these authorities are contained in 27 CFR chapter I.

In performing TTB's mission, its personnel occasionally discover potential violations of statutes and regulations administered by State and local government agencies. TTB may refer such information to the agency with jurisdiction over the matter in cases where Federal law does not prohibit such disclosure. TTB personnel may make such referrals using form TTB F 5000.21, Referral of Information, which, specific to this information collection, includes a section for the State or local agency to respond voluntarily to TTB regarding the agency's action on the referral. That form provides TTB with a consistent means of providing information regarding suspected violations to State and local agencies, facilitates

information sharing between TTB and such agencies, and provides TTB with feedback on subsequent enforcement actions that such agencies take against entities that are also regulated by TTB.¹

This information collection is aligned with—

- Line of Business/Sub-function: Law Enforcement/Substance Control.
- IT Investment: None.

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

When TTB personnel discover a suspected violation of statutes or regulations administered by State and local government agencies, and Federal law does not otherwise prohibit the disclosure of such information, TTB personnel may use form TTB F 5000.21 to refer information concerning the potential violation to such agencies. Part II of that form allows those agencies to respond voluntarily to TTB regarding the action they take regarding the referral. The form provides TTB with a consistent means of providing information regarding suspected violations criminal and civil violations to State and local agencies, facilitates information sharing between TTB and such agencies, and provides TTB with feedback on subsequent enforcement actions undertaken by such agencies take against entities that are also regulated by TTB.

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?

Currently, TTB F 5000.21 is available to TTB personnel on the Bureau's internal intranet as a fillable-printable form. Because TTB and external agencies complete portions of that form, and because this form contains information unique to each referral of information, TTB does not believe that this form is susceptible to the use of automated, electronic, or other technological collection techniques at this time.

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?

The information TTB provides to State and local government agencies regarding potential violations of statutes and regulations that they administer, and the response those agencies provide to TTB, is specific and unique to each referral and is pertinent only to TTB and the agency in question. 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?

This information collection does not have a significant impact on small entities. The requested response from a State or local government agency to which TTB has referred

¹ TTB also uses TTB F 5000.21 to refer information regarding suspected criminal and civil violations to other Federal agencies and to receive replies from them, but the use of the form within the Federal government is not subject to the Paperwork Reduction Act. As such, this Supporting Statement only considers the form's use to refer information to, and receive replies from, State and local government agencies.

information regarding a suspected violation of State or local law or regulations is voluntary and is the minimum necessary to inform TTB of the agency's action regarding such referrals.

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?*

If TTB did not conduct this collection of information, it would not have a standardized vehicle to notify State and local government agencies of potential civil and criminal violations under their jurisdiction, and TTB would not have a standardized method to gather information concerning their responses to such referrals, which would hinder information sharing between TTB and such agencies. Additionally, State and local agencies to which TTB has referred information respond to this collection only on an occasional, as-needed basis, and, as such, 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? (See 5 CFR 1320.5(d)(2).)*

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 general public, TTB published a "60-day" comment request notice for this information collection in the Federal Register on July 21, 2023, at 88 FR 47235. 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?*

While TTB provides no specific assurance of confidentiality for this information collection, 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 otherwise authorized under that section. TTB notes that section 6103 specifically authorizes, under certain circumstances, disclosure of tax return and related taxpayer information to State and local tax and law enforcement authorities for audit, enforcement, and investigative purposes. TTB further notes that it maintains the collected information in a secure file room.

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 request 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?*

Burden estimate: Based on recent data, TTB estimates that it will annually provide information to 100 State and local government agencies using TTB F 5000.21, with each such agency making one response on that form, for a total of 100 responses. TTB further estimates that State or local responding agencies require 1 hour to complete a response on TTB F 5000.21, for an estimated total of 100 annual burden hours.

Respondent Labor Costs: TTB estimates the per-respondent and total labor cost burden for State and local government respondents to this information collection as follows:

Average fully-loaded labor rate for Detectives and Criminal Investigators (State and local governments) = \$70.48 per hour x 1 hour per response = \$70.48 per response x 100 annual responses = \$7,048.00 in total respondent labor costs²

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)?*

State and local government agencies to which TTB has referred information complete a response to this information collection only on an occasional, voluntary basis using information that is readily available to the respondent. As such, there are no annual costs to the respondent associated with this collection other than mailing costs, which TTB estimates to be no more than \$2.00 per response, for a total of cost of \$200.00 for 100 annual responses.

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

Based on current Federal wage data for the Cincinnati, Ohio region and other recent data, TTB estimates the annual costs to the Federal Government for this information collection as follows:

² Per the latest U.S. Department of Labor, Bureau of Labor Statistics, wage estimates for Federal, State, and local government, including government-owned schools and hospitals and the U.S. Postal Service: The average fully-loaded labor rate for Detectives and Criminal Investigators is \$70.48, which is determined by multiplying the average \$44.05 hourly wage by 1.6 to account for benefit costs. See the Bureau of Labor Statistics wage information at <https://www.bls.gov/oes/current/999001.htm#33-0000>.

Category	Cost per Response	Annual Responses	Total Costs ³
<i>TTB Non-labor Costs</i>			
Printing & Distribution Costs	0.00	100	0.00 ⁴
Overhead Costs (Mailing, office supplies, etc.)	\$2.00		\$200.00
<i>Subtotal</i>	<i>(\$2.00)</i>	<i>100</i>	<i>\$200.00</i>
<i>TTB Labor Costs⁵</i>			
GS-12, step 5, Auditor fully-loaded labor costs for 1 hour	\$76.37	50	\$3,818.50
GS-13, step 5, Investigator fully-loaded labor costs for 1 hour	\$90.81	50	\$4,540.50
<i>Subtotal</i>	<i>(\$83.59)</i>	<i>100</i>	<i>\$8,359.00</i>
TOTAL COSTS	(\$85.59)	100	\$8,559.00

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 changes in agency estimates, TTB is decreasing this collection's number of annual of State and local government respondents and responses from 125 to 100. In turn, that decrease in respondents and responses decreases this collection's estimated annual burden hours from 125 to 100.

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

TTB does 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?*

³ Costs are rounded to the nearest whole dollar amount.

⁴ Printing and distribution costs to the Federal government have decreased to \$0.00 in TTB's cost estimate due to the availability of form TTB F 5000.21 to TTB personnel on the TTB intranet website.

⁵ TTB estimates that each request for information requires, at most, 1 hour of preparation and review by a GS-12 auditor or a GS-13 investigator or auditor. TTB estimates the fully-loaded labor rates (hourly wage x 1.63 to account for benefit costs) for a GS-12, step 5, auditor in the Cincinnati, Ohio wage region (the location of TTB's National Revenue Center) to be \$76.37 and for a GS-13, step 5, investigator to be \$90.81, with each type of employee initiating or evaluating 50 responses annually. See https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/CIN_h.pdf.

As a cost saving measure, TTB is seeking approval not to display the expiration date for OMB approval of this information collection on its related form, TTB F 5000.21. By not displaying that date on the form, TTB will not have to update the form on its intranet website each time OMB reapproves this information collection.

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.