

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement – Information Collection Requirement

OMB Control Number 1513-0014

Power of Attorney

Changes Since Last Approval

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

- Throughout the Supporting Statement, TTB is making minor editorial and grammatical changes for clarity.
- In Question 12, TTB is providing an estimate of respondent labor costs for this collection, and is stating its recordkeeping burden.
- In Question 13, TTB is estimating the non-labor costs to respondents for this collection.
- In Question 14, TTB is providing a more detailed estimate of its costs for this collection.
- In Question 15, TTB is explaining the change in burden for this 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 include the following: Align the information collection to 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 (IRC, 26 U.S.C.), as well as the Federal Alcohol Administration Act (FAA Act, 27 U.S.C. 201 *et seq.*), which governs the alcohol beverage industry. TTB administers these 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 through Treasury Order 120–01.

The IRC at 26 U.S.C. 6061 states that any return, statement, or other document filed under the Code's provisions must be signed and filed in accordance with the forms or regulations prescribed by the Secretary. Additionally, the FAA Act at 27 U.S.C. 204(c) states that the

Secretary shall prescribe the manner and form of all applications for basic permits issued under the Act.

Under those authorities, the TTB regulations require individuals signing documents and forms filed with TTB on behalf of an applicant or principal to have specific authority to do so. Many of the documents and forms submitted to TTB entail binding legal commitments by the respondent, and any omissions or falsification may subject the respondent to penalties as provided in Federal law. Under the TTB regulations, a respondent authorizes a specific individual to sign documents and forms on their behalf using form TTB F 5000.8, Power of Attorney. The following sections of the regulations in 27 CFR chapter I prescribe the use of that form:

1.30	17.105	18.26	19.78	19.156	19.676
20.53	22.53	24.116	24.150	25.65	40.68
40.393	41.196	44.87.			

This information collection is aligned with:

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

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

Applicants or principals file form TTB F 5000.8, Power of Attorney, as needed when completing permit applications, registrations, or notices, or at other times during the course of business. Completed forms become part of industry member permit files maintained by TTB at its National Revenue Center, and TTB personnel use the collected information to determine who can legally represent industry members when doing business with 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?

Respondents may submit Power of Attorney information electronically via TTB's Permits Online (PONL) system (see <https://www.ttb.gov/ponl/customer-support>). In addition, the Power of Attorney form, TTB F 5000.8, is available on the TTB website forms page as a fillable-printable form (see <https://www.ttb.gov/forms>).

4. What efforts are used to identify duplication? Why can't any similar information already available be used or modified for use for the purposes described in Item 2 above?

Respondents use form TTB F 5000.8 to assign power of attorney to specific individuals who will then sign TTB documents and forms on the respondent's behalf. 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?

All respondents, regardless of size, complete form TTB F 5000.8 as needed in order to assign power of attorney to a specific individual to act on a respondent's behalf in TTB matters. As such, TTB cannot waive or reduce this information collection because the respondent's business is small.

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?

TTB collects the information on form TTB F 5000.8 to ensure that only duly authorized individuals are signing documents and forms on behalf of the respondent. Without such authorizations, there could be misrepresentations to TTB by respondents or those claiming to represent such persons, which would jeopardize the revenue and TTB's ability to administer Federal laws and its regulations.

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 for this information collection in the Federal Register on May 3, 2022, at 87 FR 26261. TTB received no comments on this information collection in response to that notice.

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 collection. 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 taxpayer information unless disclosure is specifically authorized by that section. TTB maintains the collected information in secure office space with controlled access and in password-protected computer systems.

11. What justification is there 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 Privacy Act System of Records notice (SORN) that has been issued for the electronic system in which the PII is being stored.

This information collection contains no questions of a sensitive nature. However, it does collect personally identifiable information in an electronic system, and TTB has conducted a Privacy Impact Assessment (PIA) for the collected information as part of its Tax Major Application. TTB's PIAs are available on its website at <https://www.ttb.gov/foia/privacy-impact-assessments>. Additionally, TTB has issued a System of Records notice (SORN) for the collected information as part of the Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau (TTB) .001—Regulatory Enforcement System of Records. TTB published that SORN in the Federal Register on February 10, 2021, at 86 FR 8988. TTB F 5000.8 and PONL, which also contains that collection, display Privacy Act Notices.

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

Estimated Respondent Burden: Based on recent data, TTB estimates the annual respondent burden for this information collection as follows:

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Submission Method	Number of Respondents	Total Responses (1 response per respondent)	Per Response Burden	Total Burden*
Electronic Submission via Permits Online (PONL)	4,250	4,250	20 minutes	1,417 hours
Paper Submission via Form TTB F 5000.8	4,250	4,250	30 minutes	2,125 hours
Totals	8,500	8,500	(Avg. 25 min.)	3,542 hours

* Burden hours rounded to the nearest whole hour.

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

NAICS 312000 - Beverage & Tobacco Product Manufacturing Management Occupations (11-0000) – Fully-loaded Labor Rate/Hour = \$78.26 ^{1*}				
Submission Method	Time per Response	Labor Cost for 1 Annual Response	Total Responses	Total Labor Costs
Electronic Submission via Permits Online (PONL)	20 minutes	\$26.09	4,250	\$110,882.50

¹ Private Sector Fully-loaded Labor Rate per Hour = Hourly wage rate x 1.44 to account for employee 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 Management Occupations (11-0000) is \$78.26 (\$54.35 mean hourly wage + \$23.91 in benefit costs). See https://www.bls.gov/oes/current/naics3_312000.htm.

Paper Submission via Form TTB F 5000.8	30 minutes	\$39.13	4,250	\$166,302.50
TOTALS	(Avg. 25 min.)	(Avg. \$32.61)	8,500	\$277,185.00

* Wages and labor costs rounded to the nearest whole cent, unless otherwise noted.

Recordkeeping: While respondents should maintain submitted Power of Attorney authorizations at their premises during the normal course of business, TTB maintains submitted Power of Attorney authorizations in industry member permit files kept within its PONL system, which includes both electronic submissions and TTB-scanned and -uploaded copies of respondent-submitted paper TTB F 5000.8 forms.

13. *What is the estimated total annual cost burden to respondents or recordkeepers resulting from this collection of information (excluding the value of the burden hours in Question 12 above?*

TTB does not believe respondents bear any non-labor costs, other than mailing supply and postage costs, for this occasional information collection. For the estimated 4,250 respondents submitting one TTB F 5000.8 form per year by mail, TTB estimates that each submission costs no more than \$2.00 in mailing supply and postage costs, resulting in a total of \$8,500.00 in such costs annually for this information collection.

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

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

Labor Costs for Personnel at TTB's National Revenue Center in Cincinnati, Ohio, for OMB No. 1513-0014, Power of Attorney					
Position	Fully-loaded Labor Rate per Hour ²	Processing Time per Response	Labor Cost per Response	Responses Reviewed	Total TTB Labor Costs
GS-7, Step 5, Technician	\$41.22	6 minutes	\$4.12	4,250	\$17,510
GS-11, Step 5, Specialist	\$60.99	6 minutes	\$6.10	4,250	\$25,925
TOTALS	(\$51.10)	6 minutes	(\$5.11)	8,500	\$43,435

* Labor costs rounded to the nearest whole cent unless otherwise noted)

TTB has no printing and distribution costs for this information collection as it may be submitted electronically via the PONL system, and form TTB F 5000.8 is available as a fillable-printable form on the TTB website at <https://www.ttb.gov/forms>. TTB has also

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 Federal employees in the Cincinnati, Ohio, wage area are: (1) \$33.27 for GS-5 (step 5), and (2) \$60.99 for a GS-11 (step 5). See https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/CIN_h.pdf.

determined that it has no overhead costs for this occasional information collection. As such, total TTB costs for this information collection are **\$43,435.00**.

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

There are no program changes associated with this information collection, and TTB is submitting it for extension purposes only. As for adjustments, due to changes in agency estimates, TTB is increasing the estimated number of annual respondents to this information collection, from 5,000 to 8,500, but is decreasing the average number of annual responses per respondent from 2 to 1, resulting in an overall decrease in the number of annual responses, from 10,000 to 8,500. In addition, due to changes in agency estimates, TTB is increasing the per-response burden for the 4,250 annual electronic responses, from 15 minutes to 20 minutes each, and is increasing the per-response burden for the 4,250 annual paper responses, from 20 minutes to 30 minutes each. Taken together, the estimated total annual burden for this information collection increases from 3,250 hours to 3,542.

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

TTB does 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?

TTB will display the expiration date for OMB approval of this information collection on its related form, TTB F 5000.8.

18. What are the exceptions to the certification statement?

- (c) See item 5 for explanation regarding burden to small businesses.
- (f) This is not a recordkeeping collection so there is no retention period.
- (i) This is not a survey so no statistical methods are involved.

B. Collection of Information Employing Statistical Methods

This information collection does not employ statistical methods.