DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement –– Information Collection Request

OMB Control Number 1513–0106

Records of Operations—Importer of Tobacco Products or Processed Tobacco

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 associated with this information collection.
- In Question 12, TTB is updating the estimated number of annual respondents and responses for this information collection.
- In Question 15, TTB is explaining the burden adjustments reported 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, wines, 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.). TTB administers these IRC provisions 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 Order 120–01.

Under the IRC at 26 U.S.C. 5741, every manufacturer and importer of tobacco products, processed tobacco, or cigarette papers and tubes, and every export warehouse proprietor, must keep records as the Secretary prescribes by regulation, and such records must be made available for Government inspection during business hours.

Under that IRC authority, the TTB regulations in 27 CFR part 41 require importers of tobacco products or processed tobacco to keep usual and customary business records regarding their receipt and disposition of such articles. The regulations also require such importers to maintain the required records in chronological order at their principal place of business, or at another location approved by TTB, for a period of 3 years following the close of year in which the record was filed or made, and subject to TTB inspection upon request. The relevant regulations are found at 27 CFR 41.22, 41.204, 41.208, 41.261, and 41.263.

Importers of tobacco products or processed tobacco use the records required under this information collection, which is approved under OMB control number 1513–0106, to prepare form TTB F 5220.6, Monthly Report—Tobacco Products or Processed Tobacco, which is approved separately under OMB control number 1513–0107. The collected information is necessary to protect the revenue as it allows TTB to ensure that tobacco importers comply with the IRC and that processed tobacco, which is not taxed, is not diverted to taxable tobacco product manufacturing.

This information collection is aligned with Line of Business/Sub-function: General Government/Taxation Management.

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

During audits of importers of tobacco products or processed tobacco, TTB personnel use the required usual and customary business records to verify the data provided by such importers on their monthly operations reports, filed on form TTB F 5220.6. Such verification is necessary to protect the revenue, as it allows TTB to confirm payment of the appropriate Federal excise taxes on imported tobacco products and detect diversion of processed tobacco, which is not taxed, to illegal tobacco product manufacturing.

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 maintain the usual and customary business records required under this collection at their principal place of business or at another TTB-approved location, and they may use information technology at their discretion to maintain those records, provided that the records are readily available to TTB personnel for inspection.

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 usual and customary business records related to tobacco products or processed tobacco imports required under this information collection are specific to each respondent. As far as TTB can determine, similar information regarding the receipt and disposition of tobacco products or processed tobacco by importers is not available elsewhere.

5. If this collection of information impacts small businesses or other small entities, what methods are used to minimize burden?

This information collection has no impact on small businesses, as it consists only of usual and customary records regarding imports of tobacco products or processed tobacco kept by respondents during the normal course of business, regardless of any regulatory requirement to do so.

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?

This information collection consists of usual and customary records kept by importers of tobacco products or processed tobacco during the normal course of business, and, as such, it cannot be conducted less frequently. Also, if TTB did not require the maintenance of such records by such importers, it could not verify payment of the appropriate Federal excise taxes on imported tobacco products and detect diversion of processed tobacco, which is not subject to tax, to illegal tobacco product manufacturing.

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 conducted in a manner 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 August 13, 2025, at 90 FR 39035. 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, which consists of usual and customary business records maintained by tobacco product or processed tobacco importers at their business premises or other approved location. 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 disclosure is specifically authorized by the IRC.

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, which consists of usual and customary business records kept by respondents at their premises, contains no questions of a sensitive nature. Also, it does not collect personally identifiable information (PII) in a Government electronic system. As such, no Privacy and Civil Liberties Impact Assessment (PCLIA) or System of Records Notice (SORN) is required for this collection.

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

Estimated Burden Hours: Based on recent data, TTB estimates that 575 importers of tobacco products and/or processed tobacco will each make one annual response to this ongoing recordkeeping requirement, for a total of 575 annual responses. As this collection consists of usual and customary records kept by respondents during the normal course of business, regardless of any TTB regulatory requirement to do so, this information collection requirement imposes no annual hour burden on respondents per the OMB regulations at 5 CFR 1320.3(b)(2).

Estimated Respondent Labor Costs: Because this information collection consists of usual and customary records kept by respondents during the normal course of business, regardless of any TTB regulatory requirement to do so, this collection imposes no additional labor cost burden on respondents per the OMB regulations at 5 CFR 1320.3(b)(2).

Respondent Record Retention: Under 27 CFR 41.22 and 41.206, respondents must maintain the required records for a period of not less 3 years following the close of the calendar year in which they were filed or made. In addition, to protect the revenue, TTB may require respondents to keep the records for an additional 3 years.

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)?

This information collection consists of usual and customary records kept by respondents during the normal course of business, regardless of any regulatory requirement to do so. As such, there is no additional annualized cost burden to respondents associated with this collection requirement.

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

This information collection consists of usual and customary records kept by respondents at their premises during the normal course of business. As such, there is no annualized costs to the Federal Government associated with this collection.

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

There are no program changes associated with this information collection, and TTB is submitting for extension purposes only. As for adjustments, due to a change in agency estimates, TTB is increasing the estimated number of annual respondents and responses to this collection, from 360 to 575. The number of annual responses per respondent, one, remains the same as previously reported, and there is no change in the burden estimate of zero hours for this collection as it consists of usual and customary records kept during the normal course of business, the maintenance of which imposes no additional burden on respondents per the OMB regulations at 5 CFR 1320.3(b)(2).

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?

This information collection consists of usual and customary records kept by respondents at their place of business or at another TTB-approved location during the normal course of business. As such, there is no medium for TTB to display this information collection's OMB approval expiration date.

18. What are the exceptions to the certification statement?

(c) See item 5 above.

(i) No statistics are involved.

B. <u>Collections of Information Employing Statistical Methods</u>.

This information collection does not employ statistical methods.