

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement — Information Collection Request

OMB Control Number 1513–0045

Distilled Spirits Plants—Excise Taxes, TTB REC 5110/06

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 and the resulting labor costs associated with this information collection and is updating the resulting respondent labor costs for this collection.
- In Question 15, TTB explains the adjustments to this information collection's respondent burden reported in Question 12.

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, 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 those 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.

The IRC at 26 U.S.C. 5001 imposes Federal excise tax on all distilled spirits produced in or imported into the United States. While that section provides that this tax attaches at the moment the spirits are first produced, the IRC at 26 U.S.C. 5006 provides that the tax is determined at the time the spirits are withdrawn from bond, under such regulations as the Secretary prescribes. Also, the IRC at 26 U.S.C. 5010 allows a credit against that tax for the portion of the alcohol content of a distilled spirits product that is derived from wine or flavors. In addition, the IRC at 26 U.S.C. 5061 provides that taxpayers must pay the alcohol excise taxes due by a return, under the regulations prescribed by the Secretary.

The TTB regulations related to this recordkeeping information collection are codified in 27 CFR parts 19 and 26, and they require distilled spirits plant (DSP) proprietors to keep certain records documenting the information provided on their excise tax returns. Among

other things, the required records document taxable and nontaxable removals of distilled spirits from a DSP, excise tax determinations and applicable tax rates (including tax rates for distilled spirits products eligible for the wine or flavor credit authorized under 26 U.S.C. 5010), additional taxes or duties not declared upon importation, taxable samples, shortages and losses of distilled spirits, and tax payment by electronic funds transfer (EFT).

This information collection is necessary to protect the revenue as it allows TTB to ensure that the relevant provisions of the IRC are appropriately applied.

This information collection is contained in the following sections of 27 CFR parts 19 and 26:

| | | | | | | | |
|--------|--------|--------|--------|--------|---------|--------|--------|
| 19.222 | 19.225 | 19.226 | 19.227 | 19.230 | 19.231 | 19.233 | 19.234 |
| 19.237 | 19.238 | 19.239 | 19.240 | 19.242 | 19.243 | 19.246 | 19.247 |
| 19.248 | 19.249 | 19.256 | 19.257 | 19.262 | 19.263 | 19.264 | 19.266 |
| 19.267 | 19.269 | 19.436 | 19.461 | 19.464 | 19.465 | 19.571 | 19.574 |
| 19.575 | 19.576 | 19.577 | 19.580 | 19.581 | 19.611 | 19.612 | 19.613 |
| 19.614 | 19.615 | 26.50a | 26.77 | 26.79a | 26.165. | | |

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?

DSP proprietors use the records required under this collection to document the information provided to TTB on their alcohol excise tax returns. During field investigations or tax audits, TTB personnel use those records to verify a DSP proprietor's excise tax determinations, the correctness of their tax returns and claims for tax credits, refunds or remissions, and the adequacy of their bond coverage. The required records also assist TTB to calculate the correct amount of alcohol excise taxes to transfer to the treasuries of Puerto Rico and the U.S. Virgin Islands, as required by the IRC at 26 U.S.C. 7652.

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?

DSP proprietors maintain the required records at their business premises, and they may keep the required records on paper or by using electronic systems at their discretion, provided that the records are readily available for inspection by TTB personnel.

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?

This information collection requires the keeping of records that are pertinent to each DSP proprietor and specific to their individual excise tax determinations and returns. As far as TTB can determine, similar information is not available elsewhere.

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

While 26 U.S.C. 5061 requires alcohol excise taxpayers to file returns and pay tax liabilities on a semi-monthly basis (with 3 filing periods in September), TTB notes that, under paragraph (d)(4) of that section and the TTB regulations at 27 CFR 19.235 and 26.112, certain smaller DSP proprietors may file their tax returns, and thus keep the records required under this collection, on a less frequent basis. In general, under those statutory and regulatory provisions, DSP proprietors with an annual excise tax liability of not more than \$50,000 may file tax returns, and thus respond to this information collection, on a quarterly basis, while proprietors with an annual tax liability of not more than \$1,000 may file tax returns, and thus respond to this collection, on an annual basis.

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 information collection or conducted it less frequently, TTB would not be able to adequately verify a DSP proprietor's excise tax determinations or verify the correctness of their tax returns and claims for tax credits, refunds or remissions, and the adequacy of their bond coverage. In addition, TTB would not be able to accurately determine the amount of alcohol excise taxes to transfer to the treasuries of Puerto Rico and the U.S. Virgin Islands, as required by the IRC at 26 U.S.C. 7652.

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 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 distilled spirits excise tax-related records kept by DSP proprietors at their

business premises. However, the IRC at 26 U.S.C. 6103 prohibits disclosure of tax returns and tax-related information unless disclosure is specifically authorized by that section.

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 records kept by respondents at their premises, contains no questions of a sensitive nature, and it does not collect personally identifiable information (PII) in a Government electronic system. Therefore, 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?

Respondent Burden: Based on recent data, TTB estimates that it regulates 5,700 DSPs. Of those, TTB estimates that 1,500 DSPs file excise tax returns, and thus respond to this recordkeeping information collection request on a semi-monthly basis (25 responses per year as there are 3 filing periods in September under 26 U.S.C. 5061); 3,600 DSPs file excise tax returns, and thus respond to this collection on a quarterly basis (4 responses per year); and 600 DSPs file excise tax returns, and thus respond to this collection on an annual basis (1 response per year).¹ TTB has determined that each response requires 1 hour to complete. As such, TTB estimates the annual burden of this collection as follows:

| Collection Frequency | No. of DSP Respondents | No. of Responses Per Year | Total Annual Responses | Time per Response | Total Burden Hours |
|----------------------|------------------------|---------------------------|------------------------|-------------------|--------------------|
| Semi-monthly | 1,500 | 25 | 37,500 | 1 hour | 37,500 |
| Quarterly | 3,600 | 4 | 14,400 | 1 hour | 14,400 |
| Annually | 600 | 1 | 600 | 1 hour | 600 |
| TOTALS | 5,700 | (avg. 9.2105) | 52,500 | 1 hour | 52,500 |

Estimated Respondent Labor Costs: TTB estimates the annual per-respondent and total respondent labor costs for this information collection as follows:

¹ The IRC at 26 U.S.C. 5061(d)(1) and 5703(b)(2), and the TTB regulations at 27 CFR 19.235 and 26.112, require all Federal alcohol excise taxpayers to file returns on a semi-monthly basis (with 3 filing periods in September), unless otherwise exempted. Under 26 U.S.C. 5061(d)(4), taxpayers who expect to be liable for not more than \$50,000 in such taxes for a given calendar year, and who were liable for not more than \$50,000 in such taxes the preceding year, may file excise tax returns on a quarterly basis. Also under that IRC section, taxpayers who expect to be liable for not more than \$1,000 in such taxes for a given calendar year, and who were not liable for more than \$1,000 in such taxes the preceding year, may file excise tax returns on an annual basis.

| Annual Respondent Labor Costs for OMB No. 1513-0104 NAICS 312000 – Beverage Manufacturing – Office & Administrative Support Occupations Fully-loaded Labor Rate/Hour² = \$36.94* | | | | | | |
|--|----------------------|-----------------------|------------------------|--------------------------|-------------------|--------------------|
| | Avg. Time / Response | Labor Cost / Response | Responses / Respondent | Labor Costs / Respondent | Total Respondents | Total Labor Costs |
| Semi-monthly | 1 hour | \$36.94 | 25 | \$923.50 | 1,500 | \$1,385,250.00 |
| Quarterly | 1 hour | \$36.94 | 4 | \$147.76 | 3,600 | \$531,936.00 |
| Annually | 1 hour | \$36.94 | 1 | \$36.94 | 600 | \$22,164.00 |
| TOTALS | 1 hour | \$36.94 | (9.2105) | (\$340.24) | 5,700 | \$1,939,350 |

* Fully-loaded labor rate and labor costs rounded to the nearest whole cent unless otherwise shown.

Recordkeeping Burden: Under 27 CFR 19.575 and 26.276, DSP proprietors must retain the records required under this information collection for a period of at least 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)?

Most of the information required under this collection is contained in usual and customary records kept by respondents during the normal course of business, such as DSP production, removal, return, inventory, and loss records. Under the OMB regulations at 5 CFR 1320.3(b)(2), there is no additional cost burden to respondents for the keeping of such records. As such, TTB believes that there are no annualized non-labor costs to respondents associated with this information collection.

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

This information collection consists of records kept by DSP proprietors at their business premises, and, as such, there is no cost 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 it for extension purposes only. As for adjustments, due to changes in agency estimates resulting from continued growth in the number of small "craft" distilleries in the

² The Fully-loaded Labor Rate = Hourly wage rate + benefit costs, which, for the private sector, is calculated as hourly wage x 1.44. 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 312100—Beverage Manufacturing, the average fully-loaded labor rate per hour for Office and Administrative Support Occupations (43-0000) is \$XX.XX, based on a mean hourly wage of \$25.65. See <https://data.bls.gov/oes/#/industry/312100>. costs

United States, TTB is increasing the estimated number of annual respondents to this collection, from 4,800 to 5,700. Of those 5,700 respondents, TTB estimates that 1,500 respond semi-monthly (25 times a year), which remains the same as previously reported, 3,600 respond quarterly (4 times a year), which is up from the 3,000 quarterly respondents previously reported, and 600 respond once annually, which is up from the 300 annual respondents previously reported. In turn, those changes in the estimated number of respondents increase the estimated number of total annual responses, from 49,800 to 52,500, and increase the estimated total annual burden, from 49,800 hours to 52,500. (The per-response burden of 1 hour remains the same as previously reported.)

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?

There is no TTB form or other collection medium associated with this information collection as it consists of records kept by DSP proprietors at their premises. As such, there is no medium for TTB to display this collection's OMB approval expiration date.

18. What are the exceptions to the certification statement?

- (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.