

**DEPARTMENT OF THE TREASURY**

**ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

**Supporting Statement -- Information Collection Request**

**OMB Control Number 1513-0035**

**Inventory — Export Warehouse Proprietor**

**Changes Since Last Approval**

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

- In Question 8, TTB is updating the 60-day notice publication information for this information collection.
- In Questions 12, 13, and 14, TTB is revising, respectively, the annual estimated respondent burden and labor costs, the respondent non-labor costs, and costs to the Federal Government associated with this information collection.
- In Question 15, TTB explains the changes to the respondent burden estimates 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 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.

In general, chapter 52 of the IRC (26 U.S.C. chapter 52) imposes Federal excise tax on all tobacco products and cigarette papers and tubes manufactured in, or imported into, the United States, while exempting such articles removed for export, as well as all processed tobacco, from that tax.<sup>1</sup> Export warehouses receive and store such non-taxpaid articles until they are removed without payment of tax for export to a foreign country, Puerto Rico, or the U.S. Virgin Islands, or for consumption beyond the internal revenue laws of the United States. To protect the revenue, the IRC, at 26 U.S.C. 5721, requires export warehouse proprietors to take true and accurate inventories of all tobacco products, processed tobacco,

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<sup>1</sup> Under chapter 52 of the IRC, "tobacco products" subject to Federal excise tax are: Small and large cigars, small and large cigarettes, snuff, chewing tobacco, pipe tobacco, and roll-your-own tobacco. Processed tobacco, which is used to manufacture taxable tobacco products, is regulated but is not subject to Federal excise tax under the IRC.

and cigarette papers and tubes at the commencement of business, the conclusion of business, and at other times as the Secretary shall prescribe by regulation.

Under that IRC authority, the TTB regulations in 27 CFR Part 44, Exportation of Tobacco Products and Cigarette Papers and Tubes, Without Payment of Tax, or With Drawback of Tax, require all export warehouse proprietors to take an inventory at the opening and closing of their business, when certain changes in control of the business occur, and when required to by the appropriate TTB officer. Under the regulations, proprietors report their inventories on form TTB F 5220.3, Inventory—Export Warehouse Proprietor, supplying one copy to TTB and keeping one copy at their business premises. As authorized by 26 U.S.C. 5741, the TTB regulations also require proprietors to retain their copies of their inventory reports for 3 years following the close of the calendar year in which the inventory was taken, and they must make these reports available for inspection by a TTB officer upon request.

The TTB regulations implementing this information collection are found in 27 CFR part 44 at:

44.104	44.105	44.107	44.143
44.144	44.145	44.146	44.161.

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?*

TTB F 5220.3 provides export warehouse proprietors with a uniform format for recording their inventories of tobacco products, cigarette papers and tubes, and processed tobacco. TTB uses the collected information to protect the revenue. Because such proprietors hold untaxed tobacco products and cigarette papers and tubes until those articles are exported, transferred in bond to another export warehouse, or returned to the manufacturer, TTB uses these inventories to establish contingent Federal excise tax liabilities on the held articles and to aid in detecting diversion of untaxed articles into the taxable domestic market. Also, inventories of processed tobacco, which is not subject to tax, assist TTB in detecting and preventing diversion of materials used for making taxable tobacco products to unauthorized manufacturers.

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 5220.3 is available as a fillable-printable form on the TTB Web site at <https://www.ttb.gov/public-information/forms>.

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?*

TTB F 5220.3 collects information regarding the amounts of tobacco products, cigarette papers and tubes, and processed tobacco held by a specific export warehouse proprietor. 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?*

All export warehouse proprietors, regardless of size, are required by statute and regulation to complete an inventory when commencing or discontinuing business, when certain changes in ownership or control of the business occur, or when requested by TTB for tax administration purposes. As such, this information collection requirement cannot be waived simply 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?*

Export warehouse proprietors furnish inventories using TTB F 5220.3 only as often as necessary to comply with the relevant TTB regulations. If this inventory information were not collected, or if it were conducted less frequently, TTB would lose an effective means to determine the potential tax liability of export warehouse proprietors and detect diversion of non-taxpaid articles intended for export into taxable domestic commerce.

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 January 30, 2026, at 91 FR 4180. 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. 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. TTB maintains its copies of TTB F 5220.3 in secure office space with controlled access and in password-protected computer systems.

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 requirement 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?*

Estimated Burden Hours: Based on recent data, TTB estimates that 65 respondents will each make 1 annual response to this information collection, with each response requiring 5 hours to complete. This results in 65 total annual responses and in an estimated total annual burden of 325 hours for this information collection.

Estimated Respondent Labor Costs: Based on the average fully-loaded labor rate of \$35.15 for all Office and Administrative Support employees in the warehousing and storage industry (NAICS 493000), TTB estimates the per-respondent and total respondent labor costs for this information collection as follows:<sup>2</sup>

<b>Warehousing and Storage Industry, Office and Administrative Support Positions, Average Fully-Loaded Labor Rate = \$35.15/hour*</b>					
Avg. Time per Response	Fully-loaded Labor Rate per Response	Responses / Respondent	Labor Costs / Respondent	Total Respondents	Total Labor Costs
5 hours	\$175.75	1	\$175.75	65	\$11,423.75

\* Fully-loaded labor rate is rounded to the nearest whole cent.

Respondent Record Retention: Under 27 CFR 44.143(b), export warehouse proprietors must retain a record copy of each completed TTB F 5220.3 at their premises for 3 years following the close of the calendar year in which the inventory was made, available for inspection by a TTB upon request.

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)?*

During the normal course of business, export warehouse proprietors keep records of products received, shipped, transferred, and lost in order to track their inventory. As such, this occasional information collection imposes no additional annualized capital, start-up, maintenance, or operational costs upon respondents. As for postage and mailing supply

<sup>2</sup> Private Sector Fully-loaded Labor Rate per Hour = Hourly wage rate multiplied by a factor of 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 493000—Warehousing and Storage, the average fully-loaded labor rate per hour for all Office and Administrative Occupations (43–0000) employees is \$35.15, based on a mean hourly wage of \$24.41. See <https://data.bls.gov/oes/#/industry/493000>.

costs, TTB estimates that respondents have \$1.00 in such costs per response, for a total of \$1.00 per respondent for one annual response, which totals \$65.00 in such costs per year for the estimated 65 annual responses.

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

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

<b>Labor Costs for Personnel at TTB's National Revenue Center in Cincinnati, Ohio, for OMB No. 1513-0024</b>					
Position	Fully-loaded Labor Rate per Hour <sup>3</sup>	Processing Time per Response	Labor Costs per Response	Total Responses	Total TTB Labor Costs
GS-5, Step 5, Clerk	\$37.56	1 hour	\$37.56	65	\$2,441.40
GS-11, Step 5, Specialist	\$68.85	4 hours	\$275.40		\$17,901.00
<b>TOTALS</b>	<b>(\$62.592)</b>	<b>5 hours</b>	<b>\$312.96</b>	<b>65</b>	<b>\$20,342.40</b>

\* Fully-loaded labor rate and labor costs are rounded to the nearest whole cent.

General costs: Printing and distribution costs to the Federal government for this information collection have decreased to \$0.00 due to the availability of TTB forms on the TTB Web site at <https://www.ttb.gov/public-information/forms>.

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

Program Changes and Adjustments: There is no program change associated with this collection. As for adjustments, due to a change in agency estimates resulting from a decrease in the number of export warehouse proprietors, TTB is reducing the estimated number of annual respondents and responses to this information collection from 70 to 65 each, and, as a result, is decreasing the estimated annual burden hours for this collection from 350 to 325. The per-response burden of 5 hours remains the same as previously reported.

Form Revisions: While the data collected on form TTB F 5220.3 remains the same as previously reported, TTB is updating its mailing addresses shown in the form's instructions and its Paperwork Reduction Act to reflect current TTB postal addresses.

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<sup>3</sup> 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) \$37.56 for GS-5 (step 5), based on an hourly wage of \$23.04, and (2) \$68.85 for GS-11 (step 5), based on an hourly wage of 42.24. See [https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2026/CIN\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2026/CIN_h.pdf).

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?*

TTB will display the expiration date for OMB approval of this information collection on its related form, TTB F 5220.3.

18. *What are the exceptions to the certification statement?*

(c) See item 5 above.

(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.