

Cigarettes and Smokeless Tobacco Record-Keeping and Reporting Requirements

OMB Control Number 1140-XXXX

OMB Expiration Date: XX/XX/XXXX

Department of Justice
Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF)
Information Collection Request (ICR)
OMB 1140-XXX
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SUPPORTING STATEMENT

A. JUSTIFICATION

1. Explain the circumstances that make the information collection necessary.

In March 2006, President Bush signed the Patriot Improvement and Reauthorization Act of 2005, which amended the Contraband Cigarette Trafficking Act (CCTA) (18 U.S.C. 2341-2346). The amendment to the CCTA requires a person who sells more than 10,000 cigarettes or more than 500 single-unit consumer-sized cans or packages of smokeless tobacco per month and conducts non-face-to-face consumer sales to report to ATF specific information regarding their inventory and those sales. The seller must also report to the U.S. Treasury's Tax and Trade Bureau, the attorney general's office and revenue agency in the originating sale state and the attorney general's office and revenue agency in the concluding sale state.

2. Indicate how, by whom, and for what purpose the information will be used.

Each person who ships, sells, or distributes cigarettes or smokeless tobacco must keep copies of invoices, bills of lading, or other suitable commercial records relating to each disposition of more than 10,000 cigarettes or smokeless tobacco in excess of 500 single-unit consumer-sized cans or packages. Persons must include the information prescribed in § 646.147 in their commercial records for each disposition and must retain these records for five years.

Any person who ships or sells more than 10,000 cigarettes or more than 500 smokeless tobacco single-unit cans in a single month must record/report the purchaser or recipient's name; destination street address; and quantity of cigarettes distributed.

In addition, if the purchaser is not an exempted person, the distributor must record/report the name, address, driver's license number, and signature of the person receiving the tobacco products; vehicle license number for the vehicle removing the tobacco products; declaration by the individual receiving the tobacco products of the specific purpose for the tobacco products (such as personal use, resale, delivery to another person, etc.); and declaration by the person receiving the tobacco products, when acting as an agent, of the principal's name and address.

3. Describe whether, and to what extent, the information collection involves using automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection.

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ATF permits businesses to use their own commercial records, rather than creating separate ones for reporting and record-keeping requirements and permits businesses to do all the records and reports electronically. Most businesses retain their records electronically.

4. Describe efforts to identify duplication.

While the seller must also report to the U.S. Treasury's Tax and Trade Bureau, the attorney general's office and revenue agency in the originating sale state, and the attorney general's office and revenue agency in the concluding sale state, information contained within this information request is not separately unique to ATF or maintained separately from other requirements.

5. If the information collection impacts small businesses or other small entities, describe any methods used to minimize burden.

Based on public comments on the rule implementing the OCCA requirements, ATF permits businesses to electronically store the required records, which alleviates record-keeping costs. Furthermore, wherever possible, ATF has incorporated existing industry record-keeping requirements to minimize overall burden.

6. Describe the consequences to federal programs or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The consequences if this information were collected less frequently or not at all are two-fold: first, ATF would be in violation of the CCTA by not mandating the reporting and record-keeping requirements through regulations and two, individuals or businesses would be more apt to trade in contraband cigarettes and smokeless tobacco, depriving governments of significant revenue and enabling criminal enterprises to fund terrorism and other activities.

7. Explain any special circumstances that would cause the information collection to be conducted in a manner inconsistent with 5 CFR 1320.6.

This collection requires distributors to retain the required records for five years, which harmonizes with the applicable statute of limitations for CCTA violations.

8. If applicable, provide a copy, and identify the date and page number, of the agency's notice published in the *Federal Register*, as required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB.

The 60-day notice was published in the *Federal Register* on 05/18/2026 (91 FR 28620). The comment period ended on 07/17/2026. ATF received no comments. The 30-day notice was published on 8/7/26 and ended on 9/7/26. ATF received no comments.

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9. Explain any decision to provide any payments or gifts to respondents, other than remuneration of contractors or grantees.

ATF does not provide payments or gifts in connection with this collection.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

ATF has not assured respondents of confidentiality. The information is maintained by the seller.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

This information collection does not ask questions or require information of a sensitive nature.

12. Provide estimates of the information collection's hour burden.

Based on the statistics of U.S. businesses, there may be between 1,207 to 14,311 tobacco wholesalers (NAICs 424940).¹ Overall, ATF estimates that 14,311 businesses are impacted by this record-keeping requirement. Any distributor as defined in 27 CFR 646.143 must maintain certain information in commercial dated records for each disposition meeting the statutory threshold as described in 27 CFR 646.147. ATF estimated the number of businesses that would be impacted through already existing government information and through existing industry information. Because records are maintained as part of regular business operations and ATF is not requiring information beyond that standard, there are 0 hourly burdens or costs to this ICR.

While record-keeping and reporting requirements apply to these wholesalers who ship, sell, or distribute the per-disposition threshold quantities -- more than 10,000 cigarettes or 500-single-unit consumer-sized cans or packages of smokeless tobacco -- the PACT Act bans mailing cigarettes, and largely rendered the types of distribution requiring under this information collection moot since 2010. This is another reason there 0 hourly burdens or costs to this ICR. However, ATF must still maintain the requirement and information collection in case a distributor should once again engage in the threshold number of sales.

Table 1. Estimated annualized respondent cost and hour burden

Activity	Number of respondents	Frequency	Total annual responses	Time per response	Total annual burden (hours)	Hourly rate*	Monetized value of respondent time
Record-keeping	14,311	1	14,311	0	0	n/a	\$0
Reporting to ATF	14,311	0	0	0	0	n/a	\$0
Unduplicated totals			0	0	0	n/a	\$0

¹ <https://www.census.gov/data/tables/2022/econ/susb/2022-susb-annual.html>

13. Provide an estimate of the total annual cost burden to respondents or record-keepers resulting from the information collection. (Do not include the cost of any hour burden shown in Items 12 and 14).

Businesses maintain records at their business premises with existing systems and infrastructure they have for their own business purposes. This ICR generates no additional for maintaining records. In addition, there are no costs for reporting delivery sales because they do not occur and have not occurred for the past 16 years.

14. Provide estimates of the annualized cost to the federal government.

There are no additional costs to the federal government.

15. Explain the reasons for any program changes or adjustments.

There are no program changes or adjustments associated with this information collection, which is new.

16. For information collections whose results will be published, outline plans for tabulations and publication.

ATF will not publish the results of this collection.

17. If seeking approval to not display the expiration date for the information collection, explain the reasons that display would be inappropriate.

This information collection does not involve a form or other collection instrument upon which ATF could display the expiration date. It requires industry to simply maintain their regular business records. As a result, ATF is not able to display an expiration date on a form. ATF also has nothing on its website about the tobacco record-keeping and reporting requirements and thus has no place there to display an expiration date for this ICR, nor would any member of the public come to the website to look for information on this topic.

18. Explain each exception to the certification statement.

This information collection does not include any exceptions to the certification statement.

B. INFORMATION COLLECTIONS EMPLOYING STATISTICAL METHODS.

This collection does not employ statistical methods.