

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement -- Information Collection Request

OMB Control Number 1513-0077

Records of Things of Value to Retailers, and Occasional Letter Reports from Industry Members Regarding Information on Sponsorships, Advertisements, Promotions, etc., under the Federal Alcohol Administration Act (TTB REC 5190/1)

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 requirement.
- In Question 12, TTB is revising the estimated annual burden associated with the recordkeeping portion of this information collection requirement.
- In Question 14, based on increases in Federal employee salaries, TTB is revising its labor costs for this information collection requirement.
- In Question 15, TTB explains the adjustments made to the recordkeeping portion of this information collection requirement's estimated burden.

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 Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 201 *et seq.*, contains various provisions regulating the alcohol beverage industry, including prohibitions on a number of trade practices that Congress found to be unfair methods of competition. In particular, the FAA Act at 27 U.S.C. 205(b)(3) prohibits alcohol beverage producers, importers, and wholesalers, and bottlers of distilled spirits from inducing retailers to purchase an industry member's products to the exclusion of products offered for sale by other persons in interstate or foreign commerce "by furnishing, giving, renting, lending, or selling to the retailer, any equipment, fixtures, signs, supplies, money, services, or other things of value, subject to such exceptions as the Secretary of the Treasury shall by regulation prescribe, having due regard for public health, the quantity and value of the articles involved, established trade customs not contrary to the public interest and the purposes of this subsection."

The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act and its related regulations pursuant to section 1111(d) of the Homeland Security Act of 2002, as

codified at 6 U.S.C. 531(d). The Secretary of the Treasury (the Secretary) also has delegated various authorities to TTB to administer and enforce the FAA Act through Treasury Order 120–01.

As authorized by the FAA Act at 27 U.S.C. 205(b)(3), the TTB regulations in 27 CFR Part 6, “Tied House,” Subpart D, Exceptions, lists exceptions to the general FAA Act prohibition on offering inducements to retailers and sets reasonable limitations on the value of things furnished to retailers. In order to ensure compliance with these exceptions and limitations, the TTB regulations at 27 CFR 6.81(b) require alcohol beverage industry members to keep certain records concerning things of value furnished by them to retailers, which must be retained for three years. Under this regulation, these records must show (1) The name and address of the retailer receiving such an item, (2) the date furnished, (3) the item furnished, (4) the industry member's costs for the item furnished (determined by the manufacturer's invoice price), and (5) charges to the retailer for any item. Under that regulation, alcohol industry members may use usual and customary business records to satisfy this recordkeeping requirement, if all the required information is shown.

This information collection requirement also includes an occasional, case-by-case reporting requirement. Under 27 CFR 6.6(c), 8.6(c), and 10.6(c), TTB officers may require, as part of a trade practice investigation, a letterhead report from a selected industry member regarding information on sponsorships, advertisements, promotions, and other activities conducted by, on behalf of, or benefiting the industry member.

This information collection is aligned with Line of Business/Sub-function: Law Enforcement / Substance Control.

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

To enforce the trade practices provisions of the FAA Act, TTB personnel may examine the required records concerning things of value provided by alcohol beverage industry members to retail liquor dealers. TTB uses the required records to determine if such things of value exceed TTB regulatory limitations as part of an attempt to gain an unfair trade advantage by establishing a tied-house arrangement or by the purchase of stock-in-trade to the exclusion, in whole or in part, of other industry members. In addition, as part of a trade practice investigation, TTB investigators may require an alcohol industry member to submit letterhead reports regarding things of value furnished to retailers in order to determine if the industry member is in compliance with the TTB regulations regarding such matters.

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?

TTB has approved and will continue to approve, on a case-by-case basis, the use of improved information technology. Under 27 CFR 6.81(b), industry members may use usual and customary business records, such as invoices, to satisfy this information collection requirement if all the specified information is shown, and they may use advanced information technology at their discretion to keep the required information.

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 required records and reports provide information regarding things of value furnished to retailers by alcohol industry members that is specific to each respondent and their operations. 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?

This information collection requirement is not susceptible to reduced requirements for small businesses. However, the TTB regulations allow all alcohol industry members to use usual and customary business records to satisfy this collection's recordkeeping requirements, the keeping of which imposes no burden on respondents per OMB regulations.

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?

Not collecting or less frequent collecting of the required information would jeopardize TTB's enforcement of the FAA Act's prohibition on alcohol beverage industry members offering inducements to retailers to purchase the industry member's products to the exclusion of alcohol beverage products offered for sale by others in interstate or foreign commerce (see 27 U.S.C. 205).

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 requirement 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 requirement 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 requirement.

10. What assurance of confidentiality was provided to respondents, and what was the basis for the assurance in statute, regulations, or agency policy?

TTB offers no specific assurance of confidentiality for this information collection requirement, which largely consists of usual and customary business records maintained by alcohol industry members at their business premises. The occasional letterhead reports submitted

to TTB under this collection requirement are stored in secure office space and in password-protected computer systems. TTB also notes that 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 law.

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 Respondent Burden: This information collection requirement contains two elements, a recordkeeping requirement and an occasional reporting requirement.

Recordkeeping: Based on recent data, TTB estimates that up to 97,000 alcohol industry members (producers, importers, and wholesalers) may provide things of value to retailers and are thus required to keep the required records concerning those things, with each making 1 annual response for a total of 97,000 responses. Because respondents use usual and customary business records kept during the normal course of business, such as commercial invoices, to keep the required information, this recordkeeping requirement imposes no burden hours on respondents, per the OMB regulations at 5 CFR 1320.3(b)(2).

Reporting: As for the case-by-case reporting requirement regarding sponsorships, advertisements, and promotions contained in this collection requirement, TTB estimates that it will annually require 10 alcohol industry members undergoing trade practice investigations to submit 1 such report per year for a total of 10 responses. TTB also estimates that each respondent will require 8 hours to compile the required report using information from the usual and customary records kept under this information collection, for an estimated total annual reporting burden of 80 hours.

Therefore, in total, TTB estimates that there are up to 97,000 respondents, 97,010 responses, and an estimated 80 hours of total annual burden for this information collection requirement.

Estimated Respondent Labor Costs: As this collection's recordkeeping requirement involves the keeping of usual and customary business records, there are no additional respondent labor costs associated with that element of this collection requirement, per the OMB regulations at 5 CFR 1320.3(b)(2). As for the case-by-case reporting requirement contained under this collection, TTB estimates the annual per-respondent and total respondent labor costs as follows:

NAICS 312000 – Beverage Manufacturing – Compliance Officer Fully-loaded Labor Rate/Hour ¹ = \$56.92*					
Avg. Time / Response	Labor Cost / Response	Responses / Respondent	Labor Costs / Respondent	Total Responses	Total Labor Costs
8 hours	\$455.36	1	\$455.36	10	\$4,553.60

* Fully-loaded labor rates rounded to the nearest whole cent.

Respondent Record Retention: The TTB regulations in 27 CFR 6.81(b) require alcohol industry members to keep the required records concerning things of value provided to retailers for a period of 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)?*

Because the recordkeeping element of this collection consists of usual and customary records kept during the normal course of business, there are no additional costs to respondents associated with that portion of this information collection requirement. As for the reporting element of this collection, TTB estimates that each of 10 respondents will have no more than \$10.00 in mailing supply and postage costs per year, for an annual total of \$100.00 in such costs for this information collection requirement.

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

There is no annualized cost to the Federal government associated with the recordkeeping element of this information collection requirement. As for the reporting element of this collection, TTB labor costs for analysis of the requested reports is as follows:

TTB Labor Costs for OMB No. 1513–0077 for TTB Personnel at the National Revenue Center in Cincinnati, Ohio					
Position	Fully-loaded Labor Rate per Hour ²	Processing Time per Response	Labor Costs per Response	Total Responses	Total TTB Labor Costs
GS–13, Step 5, Investigator	\$98.14	8 hours	\$785.12	10	\$7,851.20

* Fully-loaded labor rates rounded to the nearest whole cent.

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

¹ 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, and for NAICS industry sector 42, Wholesale Trade, the average fully-loaded labor rate per hour for Compliance Officers (13–1041) is \$56.92. This is based on a mean hourly wage of \$36.39 in the beverage manufacturing industry and \$42.67 in the wholesale trade sector, which averages to \$39.53 per hour; thus \$39.53 x 1.44 = \$56.92). See <https://data.bls.gov/oes/industry/312100> and <https://data.bls.gov/oes/industry/42-43>.

² Federal Government Fully-loaded Labor Rate = Hourly wage x 1.63 to account for employee benefit costs. Per the most recent Office of Personnel Management (OPM) salary tables for Federal employees in the Cincinnati, Ohio, wage region, the hourly fully-loaded wage rate for a GS-13, step 5, employee is \$97.16, based on an hourly wage of \$59.61. See https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2026/CIN_h.pdf.

There are no program changes associated with this information collection requirement. As for adjustments, due to a change in agency estimates resulting from continued growth in the number of alcohol industry members, TTB is increasing the number of annual respondents and responses to the recordkeeping portion of this information collection requirement, from 83,000 to 97,000 each. However, because the required records are usual and customary records kept during the normal course of business and the keeping of such records imposes no additional time burden on respondents per the OMB regulations at 5 CFR 1320.3(b)(2), the estimated total annual burden for the recordkeeping portion of this information collection requirement remains zero. There are no adjustments to the reporting portion of this information collection requirement.

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 business records that alcohol industry members keep at their business premises, as well as occasional letterhead reports submitted to TTB. As such, there is no prescribed TTB form for this collection and thus there is no medium for TTB to display the 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.
- (j) See item 3 above.

B. Collections of Information Employing Statistical Methods.

This information collection requirement does not employ statistical methods.