

## Internal Revenue Service memorandum

**date:** June 9, 2006

**to:** IRS Reports Clearance Office, Att'n: R. Joseph Durbala W:CAR:MP:FP:S:SP

**from:** /s/ Michael Rubin for  
Martin L. Pippins, Manager, EP Technical Guidance and Quality Assurance  
SE:T:EP:RA:G

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**subject:** Additional hours for collection of information - OMB Control No. 1545-1673

This memo is to request an additional 19,950 hours to the existing 56,272 hours granted for the collection of information provisions of OMB Control No. 1545-1673 as a result of the publication of Rev. Proc. 2006-27, 2006-22 I.R.B. 945, on May 30, 2006. The subject OMB Control number was last published as Rev. Proc. 2003-44, 2003-1 C.B. 1051. While it is anticipated that this revenue procedure will be revised again before the current, valid OMB control number expires, it's unlikely any additional hours will be requested. Hence, it is felt that it is important to forward this document to your office now. The additions to the hours previously approved by the Office of Management and Budget are described below. A complete supporting statement also is attached. The items that may have to be revised by your office prior to the resubmission to OMB are highlighted in yellow. In addition, a draft OMB Form 83-I also is attached. The actual revenue procedure is 55 printed pages in length and the applicable issue of the IRB containing that revenue procedure is attached. Except for this paragraph, each increase in hours (both by section and overall) has been underlined.

Section 4.05 describes certain amendments that can be made in the Employee Plans Compliance Resolution System. We estimate that 600 employers will make such amendments annually. The estimated burden per respondent is from 4 hour to 8 hours, with the average burden of 6 hours, for a total estimated burden of 3,600 hours annually. This is an increase in 2,400 hours annually.

Section 6.05 requires employers to notify employees in the instance of the correction of excess amounts or a failure to meet the limits on contributions under section 415. We estimate that 1,300 employers will take such action annually. The estimated burden per respondent is from 1 hour to 5 hours, with the average burden of 3 hours, for a total estimated burden of 3,900 hours annually. This is an increase in 2,600 hours annually.

Sections 11.02-11.04 describe the requirements to submit a request for a voluntary compliance statement. We estimate that 2,550 employers will make such submissions annually. The estimated burden per respondent is from 8 hours to 16 hours, with an average burden of 12 hours, for a total estimated burden of 30,600 hours annually. This is an increase in 9,784 hours annually.

A new section 11.11 was inserted and an Appendix E was added. These two provisions pertain to the issuance of an acknowledgement letter by the Service and require the insertion of data in Appendix E (or a copy of Appendix E) by the plan sponsor or its representative in order for the Service to issue an acknowledgement of receipt. We estimate that 2,550 employers, etc., will



make such requests annually. The estimated burden per respondent is from 15 minutes to 45 minutes with an average burden of 30 minutes for a total estimated burden of 1,275 hours annually.

A new section 11.14 describes how the submission package for requesting a compliance statement should be assembled. We estimate that 2,550 employers, etc., will make submissions annually. The estimated burden per respondent is from 1 hour to 2 hours with an average burden of 1.5 hours for a total estimated burden of 3,825 hours annually.

In addition, what was section 11.11 and section 11.12 have been renumbered as section 11.12 and section 11.13.

Section 13.01 describes the audit requirements for the audit closing agreement program for 403(b) plans. Generally, the audit closing agreement program is available in the instance of an Operational Failure of a 403(b) plan. However, that section provides that the audit closing agreement program for 403(b) plans is not available for Operational Failures that relate to a misuse or diversion the assets of a 403(b) plan. We estimate that 19 employers will enter into closing agreements under the audit closing agreement program for 403(b) plans annually. The estimated burden per respondent is from 2 hours to 12 hours with an average burden of 9 hours for a total estimated burden of 171 hours annually. This is an increase of 66 hours annually.

The total burden for this submission is 19,434 responses (for a net decrease of 6,588 responses as a result of an extension of items that are eligible for self-correction), by 3,745 respondents (for a net decrease of 547 respondents/recordkeepers as a result of an extension of items that are eligible for self-correction) and an increase to 76,222 hours (for an overall increase of 19,950 hours) as a result of increased complexities of cases that are being submitted.

Of course, the number of hours in the revenue procedure is in addition to hours already requested in various forms, regulations, etc.

Attachments