

SUPPORTING STATEMENT
(Forms 6466 and 6467)

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

26 U.S.C. 3402 requires all employers making payments of wages to deduct (withhold) tax upon such payments. Employers are further required by Regulation 31.3402(f)(2)-l(g) to submit certain withholding certificates (Form W-4) to the IRS. Certificates must be submitted if they:

- a. are dated on or after April 1980 and
- b. claim 10 or more withholding allowances, or
- c. claim exemption from withholding.

The IRS compares this submitted data against Forms 1040/1040A (tax returns) to determine the validity of the Form W-4 data.

Form 6466 is used by employers, or authorized agents of employers, who transmit Forms W-4 on magnetic tape. Form 6467 is the continuation form for the Form 6466.

2. USE OF DATA

Form 6466 is used to verify the Employer Identification Number (EIN) for the employer listed, and to verify that the shipment contains the correct number of tapes or diskettes. The form is used to balance the output figures from the computer processing of the magnetic media files against those figures reported on the form. The signature is checked and the information contained on the form is used to correspond with the filers. The continuation Form 6467 is also used to balance the figures and verify the EINs. These forms are used to ensure the accuracy and completeness of the magnetic media submissions.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Forms 6466 and 6467 cannot be filed electronically, since their relatively low volume does not justify the cost electronic enabling.

4. EFFORTS TO IDENTIFY DUPLICATION

We have attempted to eliminate duplication within the agency wherever possible.

5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES

Not applicable.

6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL PROGRAMS OR POLICY ACTIVITIES

Not applicable.

7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)

Not applicable.

8. CONSULTATION WITH INDIVIDUALS OUTSIDE OF THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS

Periodic meetings are held between IRS personnel and representatives of the American Bar Association, the National Society of Public Accountants, the American Institute of Certified Public Accountants, and other professional groups to discuss tax law and tax forms. During these meetings, there is an opportunity for those attending to make comments regarding Forms 6466 and 6467.

In response to the **Federal Register** notice dated May 12, 2006 (71 FR 27791), we received no comments regarding Forms 6466 and 6467.

9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

Not applicable.

10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

Generally, tax returns and tax return information are confidential as required by 26 USC 6103.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The burden is as follows:

	<u>Number of Responses</u>	<u>Time per Response</u>	<u>Total Hours</u>
Forms 6466 and 6467	400	.333	133

The following is a related regulation which imposes no additional burden. Please continue to assign OMB number 1545-0314 to this regulation.

31.3402(f)(2)-1(g)

Estimates of the annualized cost to respondents for the hour burdens shown are not available at this time.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our **Federal Register** notice dated May 12, 2006 (71 FR 27791), requested public comments on estimates of cost burden that are not captured in the estimates of burden hours, i.e., estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. However, we did not receive any response from taxpayers on this subject. As a result, estimates of the cost burdens are not available at this time.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The primary cost to the government consists of the cost of printing Forms 6466 and 6467. We estimate that the cost of printing the forms is \$300.

15. REASONS FOR CHANGE IN BURDEN

There is no change in the paperwork burden previously approved by OMB. We are making this submission to renew the OMB approval.

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

Not applicable.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

See attachment.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT ON OMB FORM 83-I

Not applicable.

Note: The following paragraph applies to all of the collections of information in this submission:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.