

**SUPPORTING STATEMENT
(Forms 8635 and 9383)**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The Internal Revenue Service has many duties and responsibilities, one of which is providing taxpayers with tax forms, instructions, and similar materials needed to file tax returns. Many different channels are utilized to distribute these materials to individuals. One of the major programs designed to dispense tax forms and related materials is the Bank, Post Office, and Library (BPOL) Program. IRS generally spends around \$8 million annually distributing products through this program alone.

The BPOL Program was established with the idea of placing forms and related materials in locations that are convenient for taxpayers to visit and pick up forms. Banks, post offices and libraries throughout the country act as distribution sites for tax forms and instructions. The participating locations receive no compensation for the service they provide and are responsible for ordering and stocking materials.

Forms and instructions are offered to BPOL accounts in groups called plans. These plans help to simplify the ordering process by requiring accounts to order one item that includes forms and instructions together, rather than having to request specific quantities of each of the 10 different products included in the plan. Accounts also have the option of requesting specific quantities of each of the 10 products or any other products that are available on the program.

In an effort to make the ordering process easier for accounts and reduce waste due to excess forms left in locations at the end of the tax filing season, the IRS recommends how many forms each account should order based on the quantity of forms ordered or used the previous year. Each account has the option of ordering the recommended quantity of forms or some other amount that they think is appropriate.

The forms presented in this submission are used to order materials for entities wanting to participate in the BPOL Program. Each July, participants from the previous year receive an order blank. All participants have the option of dropping out of the BPOL program, or ordering products that they anticipate will meet their needs for the

upcoming filing season.

- **Form 8635** – *BPOL Order Blank for Federal Income Tax Forms* is designed to collect information from participants detailing the types and quantities of forms, instructions, and related materials they would like to receive for the upcoming filing season. The form contains several pieces of preprinted ordering information from the BPOL database (i.e., account number, address, contact, etc.) to minimize the burden on the respondent.
- **Form 9383** – *Fax Order Blank for BPOL Reorders*, is used by accounts to order additional products via fax. This provides a convenient means for ordering products that need restocking. Participants only submit the form when additional quantities of products are needed and only after receiving an initial order of materials. Accounts may reorder products via telephone if they prefer.

2. USE OF DATA

The data collected from Forms 8635 and 9383 will be used to: 1) forecast demand for tax products within the BPOL program, 2) distribute the specified tax materials to each account, 3) maintain (delete, add, or update) BPOL addresses and information in the database. If the order form is not returned, the participant is called before being deleted from the program.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Forms 8635 and 9383 cannot be filed electronically, since its relatively low volume does not justify the cost electronic enabling.

These forms were designed to simplify the ordering process for BPOL participants. They require the minimum amount of time and effort possible to complete.

The form contains preprinted information to reduce the number of responses required by the participant. If the suggested order quantity meets the participant's needs, the only required action is mailing the form back to the IRS.

4. EFFORTS TO IDENTIFY DUPLICATION

We have attempted to eliminate duplication within the agency

whenever possible.

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

Only participants in the BPOL Program will receive this form. The order blanks for banks, post offices and libraries are designed to reduce the burden for all businesses including small business. Furthermore, small businesses tend to order fewer different products, thus reducing the amount of time required to complete the form.

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

Form 8635 will be used only once per year. Less frequent collection of information will seriously hinder IRS efforts to efficiently distribute tax forms and administer the BPOL Program. Form 9383 is a voluntary use form will be used as needed by participants. Failure to collect information on an annual basis will have a negative impact on BPOL operations and will not adhere to JCP Regulations for maintaining address listings.

7. SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.6

The forms were designed to collect information in a manner consistent with the guidelines in 5CFR1320.6.

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

Several different types of individuals provided input on form design. IRS employees with similar duties provided wording and layout suggestions. Design professionals helped to make the form appear “user friendly”, thereby increasing the likelihood of individuals completing and returning the form. Librarians provided comments on order blank design and all suggestions were incorporated into the form.

A. Susanne Nardini and staff, IRS BPOL Program (309) 662-2455.

In response to the **Federal Register** Notice dated August 7, 2006 (71 FR 44776), we received no comments during the comment period

regarding Forms 8635 and 9383.

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

Form Number	Number of Responses	Time Per Response	Total Hours
Form 8635	33,653	6 min	3,365
Form 9383	3,035	6 min	304
Total	36,688	6 min	3,669

All BPOL participants will receive an order blank. We estimate that it will take each respondent approximately 4 - 8 minutes to complete the order blank, depending on the number of different products they order. In all burden estimates, we will use 6 minutes as the estimated time to complete each response.

Typically, we receive order blanks back from more than 90 % of BPOL participants and use follow-up phone calls to collect the remaining information or verify that they no longer want to participate in the program. Based on these estimates, we expect total burden to the respondents to be around 3,670 hours.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our **Federal Register** notice dated August 7, 2006 (71 FR 44776), 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

After consulting with various functions within the IRS, we have determined that the cost of developing, printing, processing, distributing, and overhead for these forms is \$ 32,230. A breakdown of the costs associated with the BPOL order blank is shown in the following table.

Tasks	Amount of time	Estimated Cost per Hour	Total Cost
Developing Order Blank	6 hours	\$30	\$180
Printing and Distributing	N/A	N/A	\$11,050
Processing Returned Order Blanks (includes opening mail, making and answering phone calls, inputting data into database, etc.)	2,100	\$10	\$21,000
Totals	2,106	N/A	\$32,230

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 return and tax return information is confidential, as required by 26 U.S.C. 6103.