

SUPPORTING STATEMENT

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 6109(d) provides that unless otherwise provided by regulations, an individual's taxpayer identification number (TIN) is the social security number (SSN). Currently, there are three types of TINS (1) SSNs, (2) EINs, and (3) ITINs.

These regulations add a fourth type of TIN called an Adoption Taxpayer Identification Number (ATIN). An ATIN is a temporary TIN for use by a prospective adoptive parent to claim certain tax benefits for a child placed for adoption. These benefits are the dependency exemption, the dependent care credit, and the child tax credit. These tax benefits are disallowed unless a TIN is obtained. See sections 151(e), 21(e)(10), and 24(e). To obtain an ATIN, a prospective adoptive parent must file Form W-7A, Application for Taxpayer Identification Number for Pending U.S. Adoptions, or such other form as may be prescribed by the IRS.

2. USE OF DATA

The Internal Revenue Service will determine whether the taxpayer has provided all the information required by Form W-7A and the accompanying instructions. If so, the IRS will assign an ATIN to the prospective adoptive child. If the information is incomplete, an ATIN will not be assigned, and the IRS will disallow a dependency exemption, dependent care credit, or child tax credit claimed with respect to the child.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS publication, regulations, notices and letters are to be electronically enabled on an as practicable basis in accordance with the IRS Reform and Restructuring Act of 1998.

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

A notice of proposed rulemaking (62 FR 62538) was published simultaneously with temporary and final regulations (62 FR 62518) in the **Federal Register** on November 24, 1997. A public hearing was held on March 4, 1998. The final regulations (64 FR 51241) were published in the Federal Register on September 22, 1999.

We received no comments during the comment period in response to the Federal Register notice dated February 1, 2007 (72 FR 4768).

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

Section 301.6109-3(c)(2) requires a taxpayer to file Form

W-7A, Application for Taxpayer Identification Number for Pending U.S. Adoptions, (or such other form as may be prescribed by the IRS) to obtain an ATIN. Thus, the taxpayer must provide the information required by Form W-7A and the accompanying instructions, including the required attachments to Form W-7A. This burden is reflected in the burden for Form W-7A.

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 February 1, 2007 (72 FR 4768), 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

Not applicable.

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

We believe that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the regulation sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of the OMB approval and obtain a new expiration date before the old one expires.

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.