SUPPORTING STATEMENT (Form 8328)

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Code section 146(f) requires that an annual volume limit be placed on the amount of private activity bonds issued by each State. Code section 146(f)(3) provides that the unused amount of the private activity bonds for specific programs can be carried forward for 3 years depending on the type of project. In order to carry forward the unused amount of the private activity bond, an irrevocable election can be made by the issuing authority. Form 8328 allows the issuer to execute the carryforward election.

2. USE OF DATA

The carryforward amount increases the issuing authorities' annual volume limit of the specific project for another calendar year identified on Form 8038. If the program is not conducted, the IRS will have disregarded Congressional intent to allow issuers to carry forward the unused bond limitation amounts.

3. <u>USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE</u> BURDEN

Low filing volume does not justify the cost of electronic enabling for Form 8328.

4. EFFORTS TO IDENTIFY DUPLICATION

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

5. <u>METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR</u> OTHER SMALL ENTITIES

Not applicable.

6. <u>CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL</u> 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 Form 8328.

In response to the **Federal Register Notice** dated **March 7, 2007** (72 FR 10297), we received no comments during the comment period regarding Form 8328.

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

	No.of	<u>Time per</u>	
<u>Form</u>		Responses	Response
		Total hours	

Form 8328

10,000 13.22 132,20 Estimates of the annualized cost to respondents for the hour burdens shown above are not available at this time.

The following regulations impose no additional burden. Please continue to assign OMB number 1545-0874 to these regulations:

1.103(n)-2TA-8

1.103(n)-4TA-2

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our **Federal Register Notice** dated **March 7, 2007** (72 FR 10297), 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 responses from taxpayers on this subject. As a result, estimates of these cost burdens are not available at this time.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

After consultation with various functions within the Service, we have determined that the cost of developing, printing, processing, distributing, and overhead for this form is \$675.

15. REASONS FOR CHANGE IN BURDEN

There are no changes being made to Form 8328 at this time. We are making this submission for renewal purposes.

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

Not applicable.

17. <u>REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS</u> INAPPROPRIATE

See attachment.

18. <u>EXCEPTIONS TO THE CERTIFICATION STATEMENT ON OMB FORM</u> 83-I

Not applicable.

Note: The following paragraph applies to all of the collections

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.