

SUPPORTING STATEMENT
(IRS Form 990-BL, Schedule A (Form 990-BL) and Form 6069)

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Black lung benefit trusts use Form 990-BL to report their financial activities and to answer certain questions on their exempt activities that must be reported to IRS each year. Section 1.6033-2(a)(2)(i) of the Income Tax Regulations specifically requires the trusts to file the form. The trusts and certain related parties need the Schedule A (Form 990-BL) to report engaging in certain proscribed activities and pay the tax on them. The coal mine operators contributing to black lung benefit trusts need Form 6069 to determine their allowable deduction to the trusts and to pay the tax on excess contributions if any are made. Regulations section 53.6011-1(e) requires filing a return to pay taxes imposed by sections 4951, 4952, and 4953. Schedule A (Form 990-BL) and Form 6069 are the forms used to report and pay these taxes.

2. USE OF DATA

The IRS uses Form 990-BL to monitor the activities of black lung benefit trusts. They are required to file the return if they normally have \$25,000 or more in gross receipts for the tax year. If the trust or related persons engage in any proscribed activities, they must attach Schedule A (Form 990-BL) and pay the tax on it. If the coal mine operator determines an excess contribution was made to the trust, then the operator must file a Form 6069 to report the excess and pay the tax on it.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

We have no plans at this time to offer electronic filing because of the low volume compared to the cost of 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

When these forms were developed, we held a meeting which included representatives from other parts of IRS and representatives of several coal mine operators as well as the National Coal Association. The views of the industry were considered when the content and format of the forms were developed.

In response to the Federal Register Notice (73 FR 14305), dated March 17, 2008, we received no comments during the comment period regarding Form 990-BL, Schedule A (Form 990-BL), and Form 6069.

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. Certain parts of Form 990-BL are open for public inspection under 26 USC 6104.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

The only sensitive items that may be requested are confidential business information on a coal mine operator's estimated total liability for black lung benefits, or the operator's coal pricing policies. Disclosure of these items is specifically prohibited in the Congressional Committee report of debate on the bill, and in regulations section 301.6104(b)-1(b)4.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The burden estimate is as follows:

			<u>Number of</u> <u>Time per</u> <u>Response</u>
		<u>Total</u>	<u>Hours</u>
Form 990-BL		22	23.67
			521
Schedule A (Form 990-BL)		4	7.90
			32
Form 6069	<u>1</u>	9.93	<u>10</u>
Total:		27	563

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

The following regulations impose no additional burden. Please continue to assign OMB number 1545-0049 to these regulations.

- 1.6033-2
- 53.6011-1(e)
- 53.6071-1
- 53.6071-1(d)

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our Federal Register notice dated March 17, 2008, 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 these forms. We estimate that the cost of printing these forms is \$1,580.

15. REASONS FOR CHANGE IN BURDEN

There are no changes being made to these forms at this time.

These forms are being submitted for renewal purposes.

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.

