

Supporting Statement for VA Form 21-4185  
Report of Income from Property or Business  
(2900-0108)

A. Justification

1. The Department of Veterans Affairs (VA), through its Veterans Benefits Administration (VBA), administers an integrated program of benefits and services established by law for veterans, service personnel, and their dependents, survivors and/or beneficiaries. A claimant's eligibility for pension or Parents' Dependency and Indemnity Compensation (DIC) is determined, in part, by countable income. Information is requested by this form under the authority of 38 U.S.C. 1315 and 1506. The regulatory basis is 38 C.F.R. 3.262 and 3.271.
2. VA Form 21-4185 is used to gather information that is necessary to determine a claimant's countable income received from rental property and/or operation of a business. Some expenses associated with rental property and business operation are deductible from the gross income received. Complete information about expenses and income is necessary in order to determine the net amount of income that is countable. The information is used to determine eligibility for VA benefits, and, if eligibility exists, the proper rate of payment.
3. VA Form 21-4185 is available on the One-VA web site in a fillable electronic format. VBA is currently hosting this form on a secure server and does not currently have the technology in place to allow for the complete submission of the form. Validation edits are performed to assure data integrity. Efforts within VA are underway to provide a mechanism to allow the information to be submitted electronically with a recognized signature technology. There currently is no utility process in place that will allow the data submitted on the forms to be incorporated with an existing centralized legacy database. Veterans Online Applications (VONAPP) allows applicants to view, print, and submit applications electronically to VBA. However, because the estimated total usage of this form is low, it is not one of the forms currently scheduled to be added to VONAPP. The Department will reconsider adding this form to VONAPP when the resources become available or if usage of this form becomes greater.
4. Program reviews were conducted to identify potential areas of duplication; however, none were found to exist. There is no known Department or Agency which maintains the necessary information, nor is it available from other sources within our Department.
5. The collection of information does not involve small businesses or entities.
6. VA Form 21-4185 is used by veterans and survivors to report business and/or property income and expenses. Without this information, VA would be unable to determine initial and continuing eligibility to income-based benefits for claimants who have income from rental property or business, and benefits would not be properly paid.

7. There is no special circumstance requiring collection in a manner inconsistent with 5 CFR 1320.6 guidelines.

8. The Department notice was published in the Federal Register on May 14, 2008, pages 27894-27895. No comments were received.

9. No payments or gifts to respondents have been made under this collection of information.

10. The records are maintained in the appropriate Privacy Act System of Records identified as 58VA21/22, "Compensation, Pension, Education and Rehabilitation Records - VA" as set forth in Privacy Act Issuances, 2001 compilation.

11. There are no questions of a sensitive nature.

12. Estimate of Information Collection Burden.

a. Number of Respondents is estimated at 7,000 per year.

b. Frequency of Response is on occasion for most beneficiaries.

c. Annual burden is 3,500 hours.

d. The estimated completion time of 30 minutes is based on review by staff personnel and previous usage of this form.

e. The total estimated cost to respondents is \$52,500 (3,500 hours x \$15 per hour).

13. This submission does not involve any recordkeeping costs.

14. Estimated Costs to the Federal Government:

a. Processing/Analyzing costs \$147,327

(GS-12/5 @ \$37.89 x 7,000 x 15/60 minutes = \$66,308)

(GS-9/5 @ \$26.13 x 7,000 x 25/60 minutes = \$76,213)

(GS-3/5 @ \$13.73 x 7,000 x 3/60 minutes = \$ 4,806)

b. Printing and production cost \$390

c. Total cost to government \$147,717

15. The reporting burden has not changed.

16. The information collection is not for publication or tabulation use.

17. The collection instrument, VA Form 21-4185, may be reproduced and/or stocked by the respondents and veterans service organizations. This VA form does not display an expiration date, and if required to do so would result in unnecessary waste of existing stocks of this form. This form is submitted to OMB every 3 years. As such, this date requirement would also result in an unnecessary burden on the respondents and would delay Department action on the benefit being sought. VA also seeks to minimize its cost to itself of collecting, processing and using the information by not displaying the expiration date. For the reasons stated, VA continues to seek an exemption that waives the displaying of the expiration date on VA Form 21-4185.

18. This submission does not contain any exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

This data collection does not employ statistical methods.