

**SUPPORTING STATEMENT
FORM 12854**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

This form requests information from applicants who were previously employed by the Federal Government. The information on the form is needed to assist in providing information for pay setting determinations, it is used to identify Federal Annuitants so that they can be counseled if accepting a position that will affect their annuity, and to advise current employees of the requirement to serve a new probationary period when appointed from a competitive list of eligibles. 5 CFR 315.801, 802; 5 CFR 531.202, 531.203 (c); 5 USC 5334

2. USE OF DATA

Information on this form will be used to determine if an applicant was previously employed by the Federal government so that their OPF can be requested when making pay setting determinations upon appointment. It will also be used to counsel applicants applying as a re-employed annuitant on the affect of their annuity during re-employment. It will also serve as a notice to current employees accepting a new appointment from a certificate that they are required to serve a new probationary period.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

We have no plans at this time to offer electronic filing because of 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 BUSINESS 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 320.5(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 meeting, there is an opportunity for those attending to make comments regarding Form 12854.

We received no comments during the comment period in response to the Federal Register notice dated June 5, 2008 (73 FR 32084).

9. **EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS**

Not applicable.

10. **ASSURANCE OF CONFIDENTIALITY OF RESPONSES**

Generally, tax returns, tax return information and closing agreements are closing agreements are confidential as required by 26 U.S.C. 6103.

11. **JUSTIFICATION OF SENSITIVE QUESTIONS**

Not applicable

12. **ESTIMATED BURDEN OF INFORMATION COLLECTION**

	<u>Number of Responses</u>	<u>Time per Response</u>	<u>Total Hours</u>
Form 12854	24,813	15 min.	6,203

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 June 5, 2008 (73 FR 32084), 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 operations, 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. Printing of Form 12854 is done as part of an application booklet at a cost of \$2,950.00 per 1,000.

15. REASONS FOR CHANGE IN BURDEN

Not applicable

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 83I

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.