

**SUPPORTING STATEMENT  
(Notice 2002-27)**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

As a result the publication of final Income Tax Regulations at §1.408-8 pertaining to minimum distribution requirements from Individual Retirement Arrangements ("IRA"), the Service is now requiring IRA custodians and trustees to calculate, or offer to calculate, the required minimum distributions for IRA owners and beneficiaries.

2. USE OF DATA

The data will be used by the Employee Plans function of the Tax Exempt and Government Entities Division of the Service to evaluate whether an IRA owner or beneficiary is complying with the required minimum distribution requirements.

3. USE OF IMPROVED TECHNOLOGY TO REDUCE BURDEN

IRS Publications, 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 ENTITIES

The obligation is being placed on custodians and trustees of IRAs, which by law must be a bank, an insurance company, etc., or an approved non-bank trustee.

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 THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS

Notice 2002-27 was published in the **Internal Revenue Bulletin** on May 6, 2002 (2002-18 IRB 814).

We received no comments during the comment period in response to the **Federal Register** notice dated May 30, 2008 (73 FR 31193).

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

Not applicable.

10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

Generally, submissions under this notice are considered tax returns and tax return information, which are confidential as required by 26 U.S.C. § 6103. In general, certain matters relating to taxability and deductibility are disclosable under 26 U.S.C. § 6110. In addition, certain matters described in this notice are disclosable under 26 U.S.C. § 6104.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Under the section of Notice 2002-27 entitled "Reporting Method," the trustee or custodian of an IRA will calculate, or offer to calculate, the required minimum distribution for IRA owners or beneficiaries. We estimate that 78,000 payers of IRAs will make such submissions annually on behalf of 7,000,000 IRA owners. The estimated burden per respondent for reporting is from 4 minutes to 20 hours, with an average burden on each payer/respondent of 15 hours, for a total estimated burden of 1,170,000 hours annually.

The total burden for Notice 2002-27 is 7,000,000 responses by 78,000 respondents and 1,170,000 hours.

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

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO TAXPAYERS

As suggested by OMB, our **Federal Register** notice dated May 30, 2008 (73 FR 31193), 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 would cause confusion by leading taxpayers to believe that the notice sunsets as of the expiration date. Taxpayers may not be aware that, if needed, 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 the 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.