

SUPPORTING STATEMENT
(Forms 9779, 9779(SP), 9783, 9783(SP), 9787, 9787(SP), 9789 and
9789(SP)
ENROLLMENT FORMS FOR ELECTRONIC FEDERAL TAX PAYMENT
SYSTEM

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The Service intends to phase in increased use of EFT for Federal Tax Payments over the next several years, with a minimum of 94% of all FTD revenue deposited electronically in FY 2009.

The need to modernize IRS remittance processing as it currently exists is evident: it is an antiquated, labor-intensive, paper-bound, float-excessive, and sluggish information-flow operation.

The modernization of IRS's cash management activities encompasses the use of modern technology, promotes a more efficient use of the Government's money, provides taxpayers with options in satisfying their tax payment obligation, and serves the mission of both Treasury organizations (IRS and FMS) as well.

Form # 9779 - EFTPS Business Enrollment Form

This form is used for volunteers enrolling in the Electronic Federal Tax Payment System (EFTPS) for payment of business taxes. This form is used for initial enrollment in the EFTPS system

Form # 9779(SP) - EFTPS Business Enrollment Form (Spanish version)

This form was developed to accommodate Hispanic businesses to provide information to the FA and the IRS for enrollment in EFTPS. This form is used either for initial enrollment in the EFTPS system

Form # 9783 - Individual Taxpayer Enrollment Form

This form is used for individuals that voluntarily enroll in the Electronic Federal Tax Payment System (EFTPS) for payment of individual taxes.

Form # 9783(SP) - Individual Taxpayer Enrollment Form (Spanish version)

This form was developed to increase opportunity for individuals in Hispanic- communities to provide information to the FA and the IRS for enrollment in EFTPS and for payment of their individual taxes.

Form # 9787 - EFTPS Business Confirmation/Update Form

This form is issued by the FA's to the taxpayer, only after receipt of the EFTPS Enrollment Form. This form indicates what is on the database maintained by the EFTPS which permits the taxpayer to make tax payments electronically. This form also confirms and verifies that the information the taxpayer provided on the enrollment form is correct and matches IRS entity information. After entity validation is completed by the FA, this Confirmation/Update Form will be forwarded to the taxpayer (via hardcopy or electronically).

This form is accompanied by a cover letter regarding the taxpayer's enrollment and instructions. Critical errors and warnings appear on the Confirmation/Update form as shaded fields. Unless the cover letter indicates that the taxpayer has critical errors that make it impossible to complete their enrollment, it is not necessary to return this form. If they wish to correct non-critical errors, or update information on the file, they need to return this form in the provided envelope.

Form # 9787 (SP) - EFTPS Business Confirmation/Update Form (Spanish version)

This form was developed to increase opportunity for businesses in the Hispanic communities to verify the information that is on record of their account with the IRS and confirm enrollment in EFTPS for payment of taxes.

This form is issued by the FA's to the taxpayer, only after the enrollment process has been completed. This form indicates what is on the database maintained by the EFTPS, which permits the taxpayer to make the tax payments electronically. This form also confirms and verifies that the information the taxpayer provided on the enrollment form was correct and matches the

IRS masterfile. After entity validation is completed by the FAs, this Confirmation/Update Form will be forwarded to the taxpayer (via hardcopy or electronically).

This form is accompanied by a cover letter regarding the taxpayer's enrollment and instructions. Critical errors and warnings appear on the Confirmation/Update form as shaded fields. Unless the cover letter indicates that the taxpayer has critical errors that make it impossible to complete their enrollment, it is not necessary to return this form. If they wish to correct non-critical errors, or update information on the file, they need to return this form in the provided envelope.

Form # 9789 - Individual Enrollment Confirmation/Update Form

This form was developed to confirm/update enrollment in EFTPS for individual taxpayer's. This form is used for updating the database maintained by the FAs which permit the taxpayer to pay their tax liabilities electronically.

This form is accompanied by a cover letter regarding the taxpayer's enrollment and instructions. Critical errors and warnings appear on the Confirmation/Update form as shaded fields. Unless the cover letter indicates that the taxpayer has critical errors that make it impossible to complete their enrollment, it is not necessary to return this form. If they wish to correct non-critical errors, or update information on the file, they need to return this form in the provided envelope.

Form # 9789 (SP) - Individual Confirmation/Update Form (Spanish version)

This form was developed for individuals in Hispanic communities to provide information to the FAs and the IRS for in regards to their enrollment in EFTPS.

This form was developed to confirm/update enrollment in EFTPS for individual taxpayers. This form is used for updating the database maintained by the FA which permits the taxpayer to pay their tax payments electronically.

This form is accompanied by a cover letter regarding the

taxpayer's enrollment and instructions. Critical errors and warnings appear on the Confirmation/Update form as shaded fields. Unless the cover letter indicates that the taxpayer has critical errors that make it impossible to complete their enrollment, it is not necessary to return this form. If they wish to correct non-critical errors, or update information on the file, they need to return this form in the provided envelope.

2. USE OF DATA

The EFTPS is an electronic remittance processing system for tax payments. This system was created to modernize tax payments - moving Federal tax payments from a paper based system to an electronic one.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

EFTPS provides efficient exchange of electronic payments from the private sector to the government; enhances accessibility for use of EFT by both business and individual taxpayers; allows sufficient and flexible mechanisms for taxpayers to report tax payment information, and will allow for future expansion of EFT.

The method by which this information can or will be received from the taxpayer and improved information technology to reduce burden are as follows:

1. Voice Response Unit, with automated scripts and live operators.
2. Batch Provider software for taxpayers wishing to report their information with a PC and modem.
3. Internet for taxpayers wishing to report their payments through a web-based system.
4. Taxpayers making payments by using a point of sale terminal.

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

There have been several meetings and discussions between the IRS, FMS and Financial Agents on their roles in EFTPS. The Financial Agents share their knowledge and background in the banking community as well as the general public with us to make EFTPS a success.

In response to the **Federal Register Notice** dated **September 2, 2008 (73 FR 51346)**, we received no comments during the comment period regarding Forms 9779, 9779(SP), 9783, 9783(SP), 9787, 9787(SP), 9789 and 9789(SP).

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

Not applicable.

10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

In accordance with 26 U.S.C 6103 it is required that all taxpayer information be kept confidential.

Also, in compliance with the Privacy Act of 1974, as amended, the Privacy Act statement was included in the Instructions package with the enrollment forms. The CMS project office has been working closely with the Privacy Office and is in compliance with all set guidelines.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

<u>Forms</u>	<u>Number of Responses</u>	<u>Time per Response</u>	<u>Total Hours</u>
Form 9779 (paper)	500,000	.167	83,500
Form 9779(on line)	1,500,000	.113	170,167
Form 9779(SP)	40,000	.3333	13,332
Form 9783(paper)		160,000	1.171
187,387			
Form 9783 (on line)		15,000	.167
2,505			
Form 9783(SP)	20,000	.3333	6,666
Form 9787	2,000,000	.127	253,666
Form 9787(SP)	40,000	.3333	13,332
Form 9789		175,000	.3333
29,225			
Form 9789(SP)		<u>20,000</u>	.3333
<u>6,666</u>			
Total			4,470,000
	766,446		

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 **September 2, 2008 (73 FR 51346)**, 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

After consultation with various functions within the Service, we have determined that the cost of developing, printing, processing, distribution and overhead for the forms is \$84,000.00.

15. REASONS FOR CHANGE IN BURDEN

**Form 9779 with Instructions- EFTPS Business Enrollment Form
Form 9783 with Instructions - EFTPS Individual Enrollment Form**

No changes.

**Form 9779(SP) Business Enrollment Form (Spanish)
Form 9783(SP) Individual Enrollment Form (Spanish)**

No changes.

Form 12252 - Provider Registration Form

Obsolete.

**Form 9787- EFTPS Business Confirmation/Update Form
Form 9789- EFTPS Individual Confirmation/Update Form**

No changes.

**Form 9787 (SP) Business Confirmation/Update Form (Spanish)
Form 9789 (SP) Individual Enrollment Form (Spanish)**

No changes.

Burden hours were decreased due to Form 12252 being obsolete. The new burden hours are 766,446.

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

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.

OMB EXPIRATION DATE

We believe the public interest will be better served by not printing an expiration date on the form(s) in this package.

Printing the expiration date on the form will result in increased costs because of the need to replace inventories that become obsolete by passage of the expiration date each time OMB approval is renewed. Without printing the expiration date, supplies of the form could continue to be used.

The time period during which the current edition of the form(s) in this package will continue to be usable cannot be predicted. It could easily span several cycles of review and OMB clearance renewal. In addition, usage fluctuates unpredictably. This makes it necessary to maintain a substantial inventory of forms in the supply line at all times. This includes supplies owned by both the Government and the public. Reprinting of the form cannot be reliably scheduled to coincide with an OMB approval expiration date. This form may be privately printed by users at their own expense. Some businesses print complex and expensive marginally punched continuous versions, their expense, for use in their computers. The form may be printed by commercial printers and stocked for sale. In such cases, printing the expiration date on the form could result in extra costs to the users.

Not printing the expiration date on the form(s) will also avoid confusion among taxpayers who may have identical forms with different expiration dates in their possession.

For the above reasons we request authorization to omit printing the expiration date on the form(s) in this package.