

Supporting Statement  
(Form 941-M)

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 3102 of the Internal Revenue Code requires employers to deduct social security and Medicare taxes imposed by section 3101(a) and (b) of the Code from the wages of employees. Code section 3111(a) and (b) requires employers to pay social security and Medicare taxes on wages paid to employees. Code section 3402(a) requires employers to deduct the income tax imposed by the section from employees' wages. Code section 3405 requires payers of pensions, annuities, and certain other deferred income to withhold income tax from most payments, unless the employee elects to have no income tax withheld. Code section 3501 states that all these taxes will be collected by the Secretary and paid over to the U.S. Treasury.

Section 6011 of the Code and sections 31.6011(a)-1, and 31.6011(a)-4 of the Employment Tax Regulations require employers to report (1) wages subject to income tax withholding and social security and Medicare taxes; (2) amounts withheld for income tax; and (3) the employee and employer share of social security and Medicare taxes. Section 31.6011(a)-5 of the regulations requires certain employers

to

report this data monthly. Employers who have failed to file Form 941 or who have failed to deposit taxes as required are

notified by the District Director that they must file Form 941-M monthly.

Sections 31.6302(c)-1, 2, & 3 of the regulations require employers to deposit the withheld income tax and social security and Medicare taxes with an authorized depository within specified time limits. Form 941-M is used by certain

employers to report social security and Medicare taxes and income tax withholding on a monthly basis. The deposits or payments of these liabilities are also reported on the form.

2. USE OF DATA

The date is used by the IRS to verify that the correct taxes have been paid. Some of the data is used by the Bureau of the Census for statistical purposes. The Social Security Administration uses some of the social security and Medicare tax data for trust fund accounting and estimating purposes.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

We have no plans to offer electronic filing because of low filing volume compared to 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

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 meetings, there is an opportunity for those attending to make comments regarding Form 941-M.

In response to the Federal Register Notice, dated September 24, 2008 (73 FR 55208), we received no comments during the comment period regarding Form 941-M.

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.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Form	Number of Responses	Time per Response	Total Hours
8693			12,000
		13.86	
		166,320	

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

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our Federal Register Notice dated September 24, 2008 (73 FR 55208), 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 responses from taxpayers on this subject. As a result, estimates of these 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 this form. We estimate that the cost of printing the form is \$423.

15. REASONS FOR CHANGE IN BURDEN

There are no changes being made to Form 941-M at this time. 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. EXCEPTION 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.