

Supporting Statement for Form SSA-1694
Request for Business Entity Taxpayer Information
OMB No. 0960-0731

A. Justification

1. According to *sections 206(a) and 1631(d) of the Social Security Act*, the Social Security Administration (SSA) collects information to facilitate direct payment of authorized fees to an attorney or other person who represents claimants for benefits before SSA. Form SSA-1694 collects information from the law firms or other business entities that have partners or employees who receive direct payment of fees from SSA related to the representation of claimants before SSA. SSA uses the information to meet any requirement to issue a Form 1099-MISC, pursuant to *26 USC 6041* and *26 USC 6045(f)* in Title 26 of the *United States Code*, which is the Internal Revenue Code.
2. SSA will use the information from this information collection to meet any requirement to issue a Form 1099-MISC, Miscellaneous Income Form, to a law firm or other business when SSA has paid partners or employees of that law firm or other business \$600 or more in a taxable year. Respondents are law firms or other business entities that have partners or employees who are attorneys or other qualified individuals who represent claimants before SSA.
3. Law firms or other business entities have access to this information collection through the Internet. They complete the necessary screens and then submit the information to SSA electronically. Approximately 50 percent of the respondents use the Internet to submit this information via SSA's Business Services Online (BSO). The remaining 50 percent use the paper version of the form. When we initiated this information collection 2006, we estimated that 95 percent of respondents would use BSO to submit the information. However, we have since found that not to be the case, and have adjusted the burden accordingly.
4. The nature of the information SSA is collecting and the manner in which we are collecting it preclude duplication. There is no other collection instrument used by SSA that collects data similar to that collected here.
5. Law firms or other business entities will only complete the form when initially registering employee information or to make changes to existing employee information. The time requirement for response is very minimal and can be accomplished via an Internet process. In this way, SSA has minimized the burden on small businesses or other small entities.
6. SSA does not currently have a process for collection of the information requested by this form. If this information were not collected, SSA would not have the necessary information to issue a Form 1099-MISC. In addition, since the form will only be completed when the law firm or other business entity initially registers or makes changes, the information cannot be collected less frequently. There are no technical or legal obstacles that prevent burden reduction.

7. There are no special circumstances that would cause SSA to collect this information in a manner that is not consistent with 5 CFR 1320.5.
8. SSA published the 60-day advance Federal Register Notice on March 19, 2009, at 74 FR 11804, and SSA has received no public comments. We published the 30-day Notice on June 9, 2009, at 74 FR 27378. There have been no outside consultations with members of the public.
9. SSA provides no payment or gifts to respondents other than the direct payment of fees related to the representation of claimants before SSA.
10. SSA protects and holds confidential the information requested in accordance with 42 U.S.C. 1306, 20 CFR 401 and 402, 5 U.S.C. 552 (Freedom of Information Act), 5 U.S.C. 552a (Privacy Act of 1974) and OMB Circular No. A-130.
11. The information collected does not contain any questions of a sensitive nature.
12. An estimated 2,000 respondents will require 10 minutes each to complete this form, for a total of 334 burden hours. The total burden reflects burden hours, and we did not calculate a separate cost burden.

| Collection Method | Number of Respondents | Frequency of Response | Average Burden Per Response | Total Burden Hours |
|--------------------------|------------------------------|------------------------------|------------------------------------|---------------------------|
| BSO | 1,000 | 1 | 10 minutes | 167 |
| Paper Form | 1,000 | 1 | 10 minutes | 167 |
| Total | 2,000 | | | 334 |

13. There is no known cost burden to the respondents.
14. The annual cost to the Federal Government is approximately \$220,745. This estimate is a projection of the costs for printing and distributing the collection instrument and for collecting the information.
15. Due to an increase in the number of respondents (e.g., an increase in the number of claimants requesting representation), the reporting burden has increased. Also, previously we were unable to show the burden for the paper form and the BSO submissions separately; with ROCIS, we are now able to do so.
16. SSA will not publish the results of this information collection.
17. OMB exempted SSA from publishing the expiration date for OMB approval on its forms.

SSA produces millions of public-use forms, many of which have a life cycle longer than that of an OMB approval. SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis). OMB granted SSA this exemption so that SSA would not have to stop using otherwise useable editions of forms with outdated expiration dates. In addition, SSA avoids Government waste because we do not have to destroy and reprint stocks of form

18. SSA is not requesting an exception to the certification requirements at 5 CFR 1320.9 and related provisions at 5 CFR 1320.8(b)(3).

B. Collections of Information Employing Statistical Methods

SSA does not use statistical methods for this information collection.