

Supporting Statement

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

LR-27-83

Section 4051 of the Internal Revenue Code (26 USC 4051) imposes a 12-percent excise tax on the first retail sale of trucks, trailers and semitrailers, and tractors. The tax on trucks, trailers and semitrailers applies only to trucks having a gross vehicle weight over 33,000 pounds and to trailers and semitrailers having a gross vehicle weight over 26,000 pounds. It is necessary for the seller of those articles to maintain a record of the gross vehicle weight of every article sold to establish the taxability or nontaxability of the sale.

LR-54-85

Under section 4051 an excise tax is imposed on the first retail sale of certain vehicles. Section 4052 defines "first retail sale" as the first sale of the vehicle, for a purpose other than resale or leasing in a long-term lease. To administer the tax, it is necessary to determine whether a sale is exempt as a sale for resale. LR-54-85 requires that if the sale is to be treated as exempt, the seller and the purchaser must be registered and the purchaser must give the seller a resale certificate.

2. USE OF DATA

LR-27-83 The information required to be collected is used by the seller and the IRS to verify that the proper amount of tax is reported or excluded. LR-54-85 The information is used by the seller and the IRS to verify that the transaction is tax exempt.

3. USE OF IMPROVED INFORMATION 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

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

LR-27-83 (48 FR 14361) was published in the Federal Register on April 4, 1983, and LR-54-85 (50 FR 37350) was published in the Federal Register on September 13, 1985 as temporary regulations. There was need for immediate guidance with respect to these provisions, and it was impracticable to issue them as notices of proposed rulemaking.

We received no comments during the comment period in response to the Federal Register notice dated May 29, 2009 (74 FR 25803).

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 U.S.C. 6103.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Reporting:

None

Recordkeeping:

	Number of		Hou
	Recordkeepers		rs per
			Recordkeep
			er
			Burden
<u>LR-27-83</u>			
145.4051-1(e)(3)(iii)	2,000	4,000	2
<u>LR-54-85</u>			
145.4052-1(a)(6)	140	2,100	.0667

		Total Recordkeeping Burden	4,140

All other requirements in this regulation have been reflected on Forms 720, 637, and 843.

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 May 29, 2009 (74 FR 25803), 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

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 could cause confusion by leading taxpayers to believe that the regulations sunset as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of the OMB approval and obtain a new expiration date before the old one expires.

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.