

SUPPORTING STATEMENT
(REG-130477-00 and REG-130481-00 (TD 8987 - Final))

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 1.401(a)(9)-1 A-2 and section 1.401(a)(9)-4 A-5 and A-6 of the regulation permits a taxpayer who wants to name a trust as a beneficiary to treat the underlying beneficiaries of the trust as designated beneficiaries of the taxpayer's benefit under a retirement plan or an individual retirement plan ("IRA"), if the taxpayer provides a copy of the trust instrument to the plan administrator or IRA trustee, custodian, or issuer, or provides a list of all the beneficiaries of the trust, certifies that, to the best of the taxpayer's knowledge, this list is correct and complete, and agrees to provide a copy of the trust instrument upon demand. In addition, other related requirements for the beneficiaries of the trust to be treated as designated beneficiaries must be satisfied. If the trust instrument is amended at any time in the future, the taxpayer must, within a reasonable time, provide a copy of each such amendment, or provide corrected certifications to the extent that the amendment changes the information previously certified. In addition, by the end of the calendar year following the calendar year of the death of the taxpayer, the trustee of the trust must provide a copy of the trust instrument to the plan administrator or IRA trustee, custodian, or issuer, or provide a list of all the beneficiaries of the trust, certify that, to the best of the taxpayer's knowledge, this list is correct and complete, and agree to provide a copy of the trust instrument upon demand.

2. USE OF DATA

The data will be used by employers that maintain qualified plans, plan administrators of qualified plans, and IRA trustees, custodians or issuers to record the names of the taxpayer's beneficiaries under the trust.

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

The collection of information was originally published in a notice of proposed rulemaking (REG-209463-82) in the Federal Register on December 30, 1997 (62 FR 67780). The collection of information was incorporated into a notice of proposed rulemaking (REG-130477-00;REG-130481-00) in the Federal Register on January 17, 2001 (66 FR 3928). The final regulations (TD 8987) were published in the Federal Register on April 17, 2002 (67 FR 18988).

We received no responses to the September 29, 2009, Federal Register Notice (74 FR 49913), regarding REG-130477-00 and REG-130481-00 (TD 8987-final).

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

Section 1.401(a)(9)-1 and of section 1.401(a)(9)-4 A-5 and A-6 of the regulation permits a taxpayer who wants to name a trust as a beneficiary to treat the underlying beneficiaries of the trust as designated beneficiaries of the taxpayer's benefit under a retirement plan or an individual retirement plan ("IRA"), if the taxpayer provides a copy of the trust instrument to the plan administrator, or provides a list of all the beneficiaries of the trust, certifies that, to the best of the taxpayer's knowledge, this list is correct and complete, and agrees to provide a copy of the trust instrument upon demand. In addition, other related requirements for the beneficiaries of the trust to be treated as designated beneficiaries must be satisfied. If the trust instrument is amended at any time in the future, the taxpayer must, within a reasonable time, provide a copy of each such amendment, or provide corrected certifications to the extent that the amendment changes the information previously certified. In addition, by the end of the calendar year following the calendar year of the death of the taxpayer, the trustee of the trust instrument must provide a copy of the trust to the plan administrator or IRA trustee, custodian, or issuer, or provide a list of all the beneficiaries of the trust, certify that, to the best of the taxpayer's knowledge, this list is correct and complete, and agree to provide a copy of the trust instrument upon demand. We estimate that the total annual number of taxpayers affected by these requirements is 1,000. Each has an estimated average burden of 20 minutes. The total burden is approximately 333 hours.

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 29, 2009, 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 could cause confusion by leading taxpayers to believe that the regulation sunsets 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. 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.

