

SUPPORTING STATEMENT
(IA-57-94)

1. **CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

The regulations address the reporting requirements imposed by section 6050I(g) of the Internal Revenue Code. Section 6050I(g) was added to the Internal Revenue Code by Section 20415 of the Violent Crime Control and Law Enforcement Act of 1994 (the Act). Section 6050I(g) imposes a reporting requirement on Federal and State criminal court clerks that receive more than \$10,000 in cash as bail for any individual charged with a specified criminal offense, which is defined in section 6050I(g)(3). Under section 6050I(g), filers are required to report (1) the name, address, and TIN of the individual charged with the crime, and each person posting that person's bail; (2) the amount of cash received; (3) the date the cash was received; and (4) such other information as the Secretary may prescribe. A statement that sets forth this information is also required to be furnished to the United States Attorney, and to each person posting the bond whose name is required to be included on such return. The information will be used by the Service to identify taxpayers with large cash incomes.

2. **USE OF DATA**

The information required will be reported to the Service on Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business. Filers must also furnish a written statement to the United States Attorney for the jurisdiction in which the individual charged with the crime resides and to each person posting the bond whose name is required to be included on Form 8300.

A substantial percent of revenue lost through noncompliance is attributable to the underreporting of income. Reporting cash payments of more than \$10,000 allows the IRS to identify taxpayers with large each incomes. Accordingly, the reporting requirements of the regulations are necessary for tax law compliance, and to implement the statutory requirements of section 6050I(g). Only clerks of Federal or State criminal courts are subject to the filing requirements of section 6050I(g).

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**

A notice of proposed rulemaking (59 FR 64635) was published simultaneously with temporary regulations (59 FR 64572) in the **Federal Register** on December 15, 1994. No public hearing was requested or held. The final regulations were published in the **Federal Register** on January 2, 1996 (61 FR 6).

We received no comments during the comment period in response to the **Federal Register Notice** dated November 19, 2009 (FR 74 60036).

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

The collection of information is in section 1.6050I-2 and is satisfied by annually including the required information on a Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business, filed with the Service, and on a statement furnished to the United States Attorney and to each person posting the bond whose name is required to appear on Form 8300. We estimate that 250 respondents will prepare these statements, and that it will take them 30 minutes each. The total burden estimate is 125 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 November 19, 2009 (74 FR 60036), 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 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 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.