

**SUPPORTING STATEMENT
(Form 8916)**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Form 8916 will be used to reconcile Schedule M-3 taxable income to tax return taxable income for a mixed group, which is a consolidated tax group which uses two or more of the following tax return forms: 1120, 1120-L, 1120-PC. A mixed group is a consolidated tax group that (1) includes both a corporation that is an insurance company and a corporation that is not an insurance company, or (2) includes both a life insurance company and a property and casualty insurance company, or (3) includes a life insurance company, a property and casualty insurance company, and a corporation that is not an insurance company.

The authority is Internal Revenue Code section 6011 (P.L. 105-206, Title II, Sections 2001 through 2005).

2. USE OF DATA

This form will enable LMSB to obtain detailed information on book to tax reconciliations for mixed groups.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

This form is intended to be electronically filed.

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

We have attempted to minimize the burden on small businesses or other small entities.

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 8916.

We received no comments for this form, during the comment period in response to the Federal Register notice dated July 1, 2010 (75 FR 38183).

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 burden estimate is as follows:

	<u>Number of Responses</u>	<u>Time per Response</u>	<u>Total Hours</u>
Form 8916	500	6 hrs., 46 mins.	

3,385

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 July 1, 2010, requested public comments on estimates of cost burden, that are not captured in the estimates of burden hours, i.e., estimate of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. However, we did not receive 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

This is a print on demand form; therefore, it will not be printed.

15. REASONS FOR CHANGE IN BURDEN

There is no change to the burden previously approved by OMB. This submission is for renewal purposes only.

16. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

Not applicable.

17. REASONS WHY DISPLAYING THE OMB EXPIRATION DATE IS INAPPROPRIATE

See attachment.

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.