

SUPPORTING STATEMENT

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

To make a late election under this Revenue Procedure, the taxpayer must file the statement already required by § 1.469-9(g)(3) with the applicable service center. This Revenue Procedure requires that the taxpayer also include with the statement an explanation for why the taxpayer failed to file a timely election and must indicate that the statement is being filed pursuant to this Revenue Procedure.

2. USE OF DATA

The data will be used by the service center to determine whether the taxpayer has reasonable cause for failing to make a timely election under § 1.469-9(g). If so, the taxpayer will be given an extension of time to make the election without requesting a letter ruling.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

There are no plans to provide electronic filing because electronic filing is not appropriate for the collection of information in this submission.

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 Revenue Procedure will be published in the Internal Revenue

Bulletin. For further information, taxpayers can contact the IRS via telephone.

In response to the Federal Register Notice, dated March 22, 2010 (75 FR 13656), we received no comments during the comment period for this Revenue Procedure.

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

We expect 2,000 annual respondents with an average annual burden per respondent of 30 minutes. Thus, the total annual burden would be approximately 1,000 hours.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by the OMB, the Federal Register notice dated March 22, 2010 (75 FR 13656) 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 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

RP-125212-09, Rules for Certain Rental Real Estate Activities (Draft), requires the taxpayer to file an amended return in order to request relief under the

revenue proceeding. After receiving an OMB Control Number for the first draft, the revenue proceeding was amended. An "internal discussion" was held among several members of the Office of Associate Chief Counsel, including the originator and contact person for this revenue proceeding, Mr. Bryan Rimmke. A decision was made that it was more reasonable to expect that preparing the amended return would require a burden of approximately 30 minutes, as opposed to the original estimate of 9 minutes.

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. 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.