

## **SUPPORTING STATEMENT (Revenue Procedure 2005-24)**

### **1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

This revenue procedure provides notice to a husband or wife who has an interest in a Charitable Remainder Annuity Trust (CRAT) under section 664(d)(1) of the Internal Revenue Code or Charitable Remainder Unitrust (CRUT) under section 664(d)(2) that was created by his or her spouse where, under applicable state law, such spouse has a right to receive an elective share that could be satisfied with assets of the CRAT or CRUT. In cases where such a CRAT or CRUT is established after the date that is ninety days after the date this revenue procedure is published in the IRB, the husband or wife must waive the right to receive the elective share in order for the CRAT or CRUT to continue to qualify under section 664(d)(1)(b) or (d)(2)(B).

### **2. USE OF DATA**

The waiver information will notify the appropriate state authority as well as the trustee of the CRAT or CRUT that a surviving spouse's elective share cannot be satisfied with assets from the CRAT or CRUT established by the decedent's spouse.

### **3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN**

Since this filing is required to be made with the applicable state authority (where required) as well as the trustee of the trust, there are no plans to provide electronic filing.

### **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**

Revenue Procedure 2005-24 was published in the Internal Revenue Bulletin on April 18, 2005 (2005-16 I.R.B. 909). Notice 2006-15 was published in the Internal Revenue Bulletin on February 21, 2006 (2006-8 I.R.B. 501) to extend the June 28, 2005, grandfather date in Rev. Proc. 2005-24, 2005-16, I.R.B. 909, until further guidance is issued by the Internal Revenue Service.

In response to the **Federal Register Notice** dated **July 12, 2011 (76 FR 40985)**, we received no comments during the comment period regarding Revenue Procedure 2005-24.

**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 3 of the Revenue Procedure requires the waiver of the right of election, to be valid under applicable state law, in writing, signed, and dated by the spouse. The estimated burden per respondent varies from 60 to 120 minutes with an estimated average burden of 90 minutes on 100,000 respondents for a total of 150,000 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 **July 12, 2011 (76 FR 40985)**, 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 are no changes 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 revenue procedure will 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 FORM83-1**

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.