

## Supporting Statement REG-115809 (NPRM)

### 1. Circumstances necessitating collection of information

The collection of information in these proposed regulations is necessary in order for plans under which certain longevity annuity contracts may be purchased to comply with the required minimum distribution rules. A copy of the proposed regulations is attached.

### 2. Use of data

The collection of information in these proposed regulations is in §1.401(a)(9)-6, A-17(a)(6) (disclosure that a contract is intended to be a qualifying longevity annuity contract) and §1.6047-2 (an initial report must be prepared and an initial disclosure statement must be furnished to qualifying longevity annuity contract owners, and an annual statement must be provided to qualifying longevity annuity contract owners and their surviving spouses containing information required to be furnished to the IRS). The information in §1.401(a)(9)-6, A-17(a)(6), is required in order to notify participants and beneficiaries, plan sponsors, and the IRS that the proposed regulations apply to a contract. The information in the annual statement in §1.6047-2 is required in order to apply the dollar and percentage limitations in §1.401(a)(9)-6, A-17(b) and §1.408-8, Q&A-12(b) and to comply with other requirements of the proposed regulations, and the information in the initial report and disclosure statement in §1.6047-2 is required in order for individuals to understand the features and limitations of a qualifying longevity annuity contract. The information would be used by plans and individuals to comply with the required minimum distribution rules.

### 3. Use of improved information technology to reduce burden

The Internal Revenue Service provides the opportunity to file electronically whenever it is practical and available.

### 4. Efforts to identify duplication

There is no similar information already available that can be modified for use for the purposes described in item 2 above.

### 5. Methods to minimize burden on small business 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 the instructions and forms, and data elements

This notice of proposed rulemaking, for REG-115809 (NPRM), was published in the Federal Register on February 3, 2012 (77FR5443), to provide the public a 90-day period to review and provide public comments relating to any aspect of the proposed regulations. Topics will be discussed at the public hearing scheduled for June 1.

9. Explanation of decision to provide any payment or gift to respondents

Not applicable.

10. Assurance of confidentiality of responses

Generally, tax returns and 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 contained in these proposed regulations requires respondents to disclose that an annuity contract is intended to be a qualifying longevity annuity contract and to furnish statements about these contracts. It is estimated to take an average of 10 minutes per response. Therefore, the total annual burden to provide 213,966 responses is 35,661 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

Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information are not available at this time.

14. Estimated annualized cost to the Federal government

Not applicable.

15. Reasons for change in burden

This is a new Information Collection.

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 PRA submission form

Not applicable.