

**Supporting Statement for Form SSA-1694  
Request for Business Entity Taxpayer Information**

**OMB No. 0960-0731**

**A. Justification**

**1. Introduction/Authorizing Laws and Regulations**

Pursuant to sections 206(a) and 1631(d) of the Social Security Act, the Social Security Administration (SSA) collects information to facilitate direct payment of authorized fees to an attorney or other person who represent claimants for benefits before SSA. SSA also uses the information to meet any requirement to issue a Form 1099-MISC, pursuant to 26 USC 6041 and 26 USC 6045(f) of the *United States Code*, under the Internal Revenue Service.

**2. Description of Collection**

SSA uses Form SSA-1694 to collect information from law firms or other business entities that have partners or employees to whom SSA pays fees that we have authorized as compensation for the representation of claimants before SSA. SSA collects information on Form SSA-1694 to: 1) facilitate the direct payment of authorized fees to an attorney or other person who represent claimants for benefits before SSA; and 2) meet any requirement to issue a Form 1099-MISC when SSA has paid the partners or employees of that law firm or other business entity aggregate fees of \$600 or more in a taxable year. Respondents are law firms, other business entities that have partners, employees who are attorneys, or other qualified individuals who represent claimants before SSA.

**3. Use of Information Technology to Collect the Information**

Law firms or other business entities have access to this information collection through the Internet. They can complete the necessary screens, then submit the information to SSA electronically via SSA's Business Services Online (BSO). Respondents may also complete the paper Form SSA-1694, and mail to their local SSA office.

**4. Why We Cannot Use Duplicate Information**

The nature of the information we are collecting and the manner in which we are collecting it preclude duplication. There is no other collection instrument SSA uses that collects similar data.

**5. Minimizing Burden on Small Respondents**

Law firms or other business entities need only complete the SSA-1694 when they initially register or need to makes changes. The time requirement for their response is minimal, accomplished via an Internet process. In this way, SSA has minimized the burden on small businesses or other small entities.

**6. Consequence of Not Collecting Information or Collecting it Less Frequently**

If SSA did not collect this information, we would be unable to issue a Form 1099-MISC. In addition, since the law firm or other business entity only completes the form during

initial registration or when making changes, we cannot collect the information less frequently. There are no technical or legal obstacles that prevent burden reduction.

**7. Special Circumstances**

There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with 5 CFR 1320.5.

**8. Solicitation of Public Comment and Other Consultations with the Public**

SSA published the 60-day advance Federal Register Notice on May 9, 2012 at 77 FR 27264, and we received no public comments. We published the 30-day Federal Register Notice on July 16, 2012 at 77 FR 41874. If we receive any comments in response to the 30-day Notice, we will forward them to OMB. There have been no outside consultations with members of the public.

**9. Payment or Gifts to Respondents**

SSA provides no payment or gifts to respondents.

**10. Assurances of Confidentiality**

SSA protects and holds confidential the information we collect in accordance with 42 U.S.C. 1306, 20 CFR 401 and 402, 5 U.S.C. 552 (Freedom of Information Act), 5 U.S.C. 552a (Privacy Act of 1974), and OMB Circular No. A-130.

**11. Justification for Sensitive Questions**

The information collected does not contain any questions of a sensitive nature.

**12. Estimates of Public Reporting Burden**

An estimated 2,000 respondents require 10 minutes each to complete the collection instrument, for a total of 334 annual burden hours. The total burden reflects burden hours, and SSA did not calculate a separate cost burden.

Collection Instrument	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Total Annual Burden (hours)
SSA-1694 paper form	1,000	1	10	167
BSO Submission	1,000	1	10	167
Total	2,000			334

**13. Annual Cost to the Respondents (Other)**

There is no known cost burden to the respondents.

**14. Annual Cost To Federal Government**

The annual cost to the Federal Government is approximately \$220,745. This estimate is a projection of the costs for printing and distributing the paper form, and for collecting the information. The estimated cost to the Federal Government to collect the information via BSO is negligible. Because SSA accounts for the cost of maintaining the system that collects this information in the cost of maintaining all of SSA's automated systems, we are unable to calculate the cost associated with just one Internet application.

**15. Program Changes or Adjustments to the Information Collection Request**

There are no changes in the public reporting burden.

**16. Plans for Publication Information Collection Results**

SSA will not publish the results of the information collection.

**17. Displaying the OMB Approval Expiration Date**

OMB exempted SSA from the requirement to print the OMB approval expiration date on its forms. SSA produces millions of public-use forms, many of which have a life cycle longer than that of an OMB approval. SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis). OMB granted this exemption so SSA would not have to discontinue using otherwise usable editions of forms with outdated expiration dates. In addition, SSA avoids Government waste because we will not have to destroy and reprint stocks of forms.

**18. Exception to Certification Statement**

SSA is not requesting an exception to the certification requirements at 5 CFR 1320.9 and related provisions at 5 CFR 1320.8(b)(3).

**B. Collections of Information Employing Statistical Methods**

SSA does not use statistical methods for this information collection.