

**SUPPORTING STATEMENT
(Forms 8871 and 8453-X)****1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

Public Law 106-230, as amended by Public Law 107-276, amended section 527(i) to require organizations that want to be treated as political organizations to notify the IRS that they are section 527 organizations. This notice must be given within 24 hours of the establishment of the organizations.

2. USE OF DATA

The IRS is required by section 6104(a)(1)(A) to make the information on Form 8871 available to the public at Internal Revenue Service offices. The IRS is also required to make certain information included on Form 8871 available to the public on the internet (Section 6104(a)(1)(A) and Section 6104(a)(3)).

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Section 527(l)(1)(A) requires that the organization file Form 8871 electronically. Also, Form 8453-X automatically appears for the initial filer of Form 8871 with all the information entered. The form is printed out, signed, and mailed to the Ogden Service Center. In so doing, this authenticates the electronic filing of Form 8871.

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

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 8871 or Form 8453-X

We received no comments during the comment period in response to the **Federal Register** notice dated October 11, 2012 (77 FR 61829).

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>
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Form 8871	5,000	6.97	34,850
Form 8453-X	<u>500</u>	.69	<u>345</u>
	5,500		35,195

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 October 11, 2012, 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 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

The primary cost to the government consists of the cost of printing the instructions for Form 8871. We estimate that the cost of printing the form is \$500.

15. REASONS FOR CHANGE IN BURDEN

There is no change 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

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.