

SUPPORTING STATEMENT
T.D. 9286, Railroad Track Maintenance Credit

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

This regulation provides rules for claiming the railroad track maintenance credit under section 45G of the Internal Revenue Code for qualified track maintenance expenditures paid or incurred by a Class II or Class III railroad and other eligible taxpayers. The regulation provides the time and manner for a taxpayer to submit certain information to claim this credit.

2. USE OF DATA

The information will be used by revenue agents to determine if the taxpayer is entitled to claim the railroad track maintenance credit.

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 final rule was published in the *Federal Register* on November 13, 200 (72 FR 63813).

We received no comments during the comment period in response to the **Federal Register** notice (77 FR 70878), dated November 27, 2012.

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 collections of information are in paragraph (d) of the regulation. To claim the railroad track maintenance credit, taxpayers must file Form 8900, Qualified Railroad Track Maintenance Credit. The regulation requires any assignor and assignee of railroad track miles for purposes of this credit to attach to this form certain information about the assignments of railroad track miles in order to claim the credit. The information will be used to verify that a taxpayer is entitled to claim the railroad track maintenance credit. The estimated total annual burden is 1,375 hours. The estimated annual burden per respondent varies from 1 to 4 hours, depending on individual circumstances, with an estimated average of 2.5 hours. The estimated number of respondents is 550.

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 November 27, 2012 (77 FR 70878), 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

Not applicable.

15. REASON FOR CHANGE IN BURDEN

There is no change to the burden originally reported to OMB. This submission is for renewal purposes only.

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 temporary regulation sunsets 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.