

SUPPORTING STATEMENT
(Form 8655--Reporting Agent Authorization;
Revenue Procedure 2012-32)
OMB # 1545-1058

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Revenue Procedure 2012-32, which modified and superseded Rev. Proc. 2007-38), provides the requirements for completing and submitting Form 8655, *Reporting Agent Authorization* (Authorization). An Authorization allows a taxpayer to designate a Reporting Agent to perform the following acts on behalf of a taxpayer.

(1) Sign and electronically file Form 940, Form 941, and those forms set forth in section 4.01(1) of the revenue procedure.

(2) Sign and file on paper the forms set forth in section 4.02(2).

(3) Make federal tax deposits (FTDs) and other federal tax payments (FTPs) electronically and submit FTD information and FTP information electronically.

(4) Receive duplicate copies of information as described in section 4.02(4).

2. USE OF DATA

The Reporting Agent Authorization is submitted by the reporting agent. A reporting agent is a person or organization preparing and filing electronically the federal tax returns and/or submitting federal tax deposits. The Form 8655 provides the only signature authority for electronically filed returns and deposits. The form also permits the IRS to disclose tax account information and to provide duplicate copies of taxpayer correspondence. The authorization remains in effect until revoked by the taxpayer, the reporting agent or the IRS. The Service will not provide information to the reporting agent without an authorization signed by the taxpayer. Form 8655

standardizes submissions and provides a convenience to the users.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

We have no plans at this time to offer electronic filing because of the low volume compared to the cost of electronic enabling.

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, the Service Bureau Consortium, 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 8655.

Revenue Procedure 2007-38 was published in the **Internal Revenue Bulletin** on June 18, 2007 (2007-25 IRB 1442). Revenue Procedure 2012-32 was published on August 20, 2012

(2012-34 I.R.B. 267).

We received no comments during the comment period in response to the *Federal Register* notice dated June 28, 2013 (78 FR 39065), regarding Form 8655.

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

No personally identifiable information (PII) is collected.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The burden is as follows:

Based on estimates provided by Service personnel who deal extensively with reporting agent issues, the collection of information burden generated by section 5.05 is estimated to require 12,750 recordkeeping hours per year (estimated 4,250 reporting agents x three hours per year).

	<u>Number of Responses</u>	<u>Hours per Response</u>	<u>Total Hours</u>
Rev Proc 2012-32	4,250	3.00	12,750

	<u>Number of Responses</u>	<u>Hours per Response</u>	<u>Total Hours</u>
Form 8655	110,000	7.33	806,300

Estimated Total Annual Burden is 819,050 hours.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our **Federal Register** notice dated **June**

28, 2013 (79 FR 39065), 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.

Estimates of the annualized cost to respondents for the hour burdens shown 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 Form 8655. We estimate that the cost of printing the form is \$500.

15. REASONS FOR CHANGE IN BURDEN

Reporting agents need to document authorization for Forms 3921, Exercise of an Incentive Stock Option Under Section 422(b), and Form 3922, Transfer of Stock Acquired Through an Employee Stock Purchase Plan Under Section 423(c). Therefore, Line 18(c) was created for this purpose.

This change will result in a program change increase of 26,400 hours.

We are also 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 statutes/regulation sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of 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.