

SUPPORTING STATEMENT
Certain Stock Options
OMB No. 1545-2095

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

This document regulations providing guidance regarding the determination of the value of plan assets and benefit liabilities for purposes of the funding requirements that apply to single employer defined benefit plans, regarding the use of certain funding balances maintained for those plans, and regarding benefit restrictions for certain underfunded defined benefit pension plans. These regulations reflect provisions under sections 430(d), 430(f), 430(g), 430(h)(2), 430(i), and 436, as added to the Internal Revenue Code (Code) by the Pension Protection Act of 2006 (PPA '06), Public Law 109-280 (120 Stat. 780), and amended by the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA '08), Public Law 110-458 (122 Stat. 5092).

Section 1.430(f)-1(f) requires plan sponsors are to make elections regarding a plan's credit balances upon occasion. An election required by § 1.430(h)(2)-1(e) is made to use an alternative interest rate for purposes of determining a plan's funding obligations. Information required under §§ 1.436-1(f) and 1.436-1(h) is required in order for a qualified defined benefit plan's enrolled actuary to provide a timely certification of the plan's adjusted funding target attainment percentage (AFTAP) for each plan year to avoid certain benefit restrictions.

2. USE OF DATA

The election data under section 430(f) and (h)(2) will be used in determining a defined benefit plan's funding status, and the certifications under section 436 will be used by a plan sponsor to determine whether and as of what date any benefit restrictions under section 436 apply to a plan. The regulations require the plan sponsor to provide written notification of the election to the plan's enrolled actuary.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS Publications, regulations, published guidance, e.g., revenue rulings and revenue procedures, notices, letters, and letter rulings are to be electronically enabled on an 'as practicable' basis in accordance with the IRS Reform and Restructuring Act of 1998.

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 THE 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

A notice of proposed rulemaking (NPRM) REG–113891–07 was published in the *Federal Register* August 31, 2007, at 72 FR 50544, regarding funding balances and benefit restrictions for underfunded plans, and NPRM REG–139236–07 was published December 31, 2007, at 72 FR 74215, regarding measurement of assets and liabilities for pension funding purposes, with certain revisions.

A final rule was published in the *Federal Register* on October 15, 2009, at 74 FR 61240, which combined the proposed information requirements of REG–113891–07 and REG–139236–07 under TD 9467.

We received no comments during the comment period in response to the *Federal Register* notice dated December 19, 2013 (78 FR 76893).

9. EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

Not applicable.

10. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

In general, tax returns and tax return information are confidential as required by 26 U.S.C. § 6103, and certain matters relating to taxability and deductibility are disclosable under 26 U.S.C. § 6110.

11. JUSTIFICATION OF SENSITIVE QUESTIONS

This collection does not request PII.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The collections of information are codified in §§ 1.430(f)–1(f), 1.430(h)(2)–1(e), 1.436–1(f), and 1.436–1(h).

- The information required under § 1.430(f)–1(f) is required in order for plan sponsors to make elections regarding a plan’s credit balances upon occasion.
- The information required under § 1.430(h)(2)–1(e) is required in order for a plan sponsor to make an election to use an alternative interest rate for purposes of determining a plan’s funding obligations under § 1.430(h)(2)–1.
- The information required under §§ 1.436–1(f) and 1.436–1(h) is required in order for a qualified defined benefit plan’s enrolled actuary to provide a timely certification of the plan’s adjusted funding target attainment percentage (AFTAP) for each plan year to avoid certain benefit restrictions.

# Respondents	# Responses Per Respondents	Annual Responses	Hours Per Response	Total Burden
80,000	1	80,000	1.5	120,000

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 December 19, 2013, 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. REASONS FOR CHANGE IN BURDEN

The notice of proposed rulemaking (NPRM) published as REG-113891-07 was assigned OMB No. 1545-2112 and was “comment filed on proposed rule” by OMB. The final rule codified requirements from REG–113891–07 and this NPRM (REG–139236–07) as TD 9467 on October 15, 2009, at 74 FR 61240. The burden under this ICR consolidates burden from that originally identified in OMB No. 1545-2112, under this submission for TD 9467.

The increase of 66,000 burden hours is attributed to program change due to agency discretion.

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 leading taxpayers to believe that the revenue procedure will sunset as of the expiration date. Taxpayers are not likely to be aware that the Service may 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 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 the 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.