

## SUPPORTING STATEMENT

### 1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 48(a)(3)(D) of the Internal Revenue Code allows a credit for energy property which meets, among other requirements, the performance and quality standards (if any) which have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy), and are in effect at the time of the acquisition of the property. Energy property includes small wind energy property.

This notice provides performance and quality standards for small wind energy property that such property must meet in order to qualify for the energy credit under § 48. Although a certification is not required, this notice provides that a taxpayer may rely on a certification from an eligible certifier in determining whether the wind turbine meets the performance and quality standards as provided in the notice. This notice also includes the required contents of a certification and defines an eligible certifier.

There are two information collections associated with qualifying for this credit, one is a certification, which requires the following information:

#### CERTIFICATION

*In General.* A taxpayer may rely on a certification from an eligible certifier in determining whether the wind turbine meets the performance and quality standards of AWEA or IEC.

*Content of the Certification.* The certification statement must contain the following:

- (a) The name and address of the manufacturer;
- (b) The name and address of the eligible certifier; and
- (c) A statement specifying the nameplate capacity of the wind turbine.

The RECORDKEEPING requirement:

A taxpayer is not required to attach documentation to the return on which the credit is claimed. However, § 6001 of the Code provides that every person liable for any tax imposed by the Code, or for the collection thereof, must keep such records, render such statements, make such returns, and comply with such rules and regulations as the Secretary may from time to time prescribe. See Treas. Reg. § 1.6001-1(e).

2. USE OF DATA

The data will be used by (1) manufacturers for the purposes of determining if the manufacturer's small wind energy property is considered qualified under § 48 and determining the methods by which certifications will be obtained and provided to taxpayers, and (2) taxpayers for the purpose of determining if small wind energy property which is constructed, reconstructed, erected, or acquired by the taxpayer meets the standards in the notice and thus whether the credit is allowed with respect to specific small wind energy property

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS Publications, Regulations, Notices and Letters 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 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

We consulted with individuals at the Department of Energy

about quality and performance standards for small wind energy property and the certification of small wind energy property to these standards.

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

Section 48(a)(3)(D) of the Internal Revenue Code allows a credit for energy property which meets, among other requirements, the performance and quality standards (if any) which have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy), and are in effect at the time of the acquisition of the property. It is estimated that the total annual reporting burden will be 400 hours. The estimated average annual burden per respondent will be 2.5 hours to complete the requests for certification required under this notice. This estimated burden is based upon the approximated amount of time it will take the average respondent to gather the necessary data. The estimated number of respondents is 160. This estimate is based upon the approximated number of taxpayers expected to claim the credit for small wind energy property.

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

Not available.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

Not applicable.

15. REASONS FOR CHANGE IN BURDEN

Not applicable.

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 notice sunsets as of the expiration date. If the credit for small wind energy property under § 48 is extended, this could cause confusion among taxpayers.

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.