

**SUPPORTING STATEMENT  
(IRS Form 8864)  
OMB #1545-1924**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The American Jobs Creation Act, section 302, added code section 40A, credit for biodiesel used as a fuel. Form 8864 has been developed to allow taxpayers to compute the biodiesel fuels credit. Section 38(b)(17) allows the biodiesel credit to be taken as a credit against income tax for businesses that sell or use biodiesel mixed with other fuels or sold as straight biodiesel.

2. USE OF DATA

Form 8864 provides the IRS with the information necessary to determine whether the credit was figured correctly.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

The Internal Revenue Service plans to offer electronic filing of Form 8864 as an attachment to an income tax return.

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 the Internal Revenue Service, American Bar Association, National Society of Public Accountants, 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 8864.

In response to the *Federal Register* notice dated September 4, 2014 (79 FR 52806), we received no comments during the comment period regarding Form 8864.

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 estimate is as follows:

	<u>Number of Responses</u>	<u>Time per Response</u>	<u>Total Hours</u>
Form 8864	26	4.22	110

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, *Federal Register* notice dated September 4, 2014 (79 FR 52806), 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 this form. We estimate that the printing cost for Form 8864 is \$850.

15. REASONS FOR CHANGE IN BURDEN

Several lines were reserved due to the expiration of the biodiesel and renewable diesel fuels credit for fuel sold or used after 2013. At the time of this renewal this credit has not been extended under (IRC 40A(g)). These changes will reduce the total burden to 110 hours, which will result in a program change decrease of 200 hours. The Form 8864 is also being submitted for renewal purposes.

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

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.