

**SUPPORTING STATEMENT**  
**OMB Control Number 1545-1919**  
**FORM 12854**

**1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

This form requests information from applicants who were previously employed by the Federal Government. The information on the form is needed to assist in providing information for pay setting determinations, to identify Federal Annuitants so that they can be counseled if accepting a position that will affect their annuity, and to advise current employees of the requirement to serve a new probationary period when appointed from a competitive list of eligibles. 5 CFR 315.801, 802; 5 CFR 531.202, 531.203 (c); 5 USC 5334

**2. USE OF DATA**

Information on this form will be used to determine if an applicant was previously employed by the federal government so that their official personnel folder (OPF) can be requested when making pay setting determinations upon appointment. It will also be used to counsel applicants applying as a re-employed annuitant on the affect of their annuity during re-employment. It will also serve as a notice to current employees accepting a new appointment from a certificate that they are required to serve a new probationary period.

**3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN**

We have no plans at this time to offer electronic filing because of 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 BUSINESS OR OTHER SMALL ENTITIES**

Not applicable.

**6. CONSEQUENCES OF LESS FREQUENT COLLECTION ON FEDERAL PROGRAMS OR POLICY ACTIVITIES**

If the collection of information from Form 12854 is not conducted, it will not be known if or to what extent applicants' previous government service will affect

their salary upon accepting IRS employment or any federal annuity they are currently receiving.

7. **SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 320.5(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, and other professional groups to discuss tax law and tax forms. During these meeting, there is an opportunity for those attending to make comments regarding Form 12854.

We received no comments during the comment period in response to the *Federal Register* notice dated October 8, 2014 (79 FR 60892).

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

Not applicable.

10. **ASSURANCE OF CONFIDENTIALITY OF RESPONSES**

Generally, tax returns, tax return information and closing agreements are closing agreements are confidential as required by 26 U.S.C. 6103.

11. **JUSTIFICATION OF SENSITIVE QUESTIONS**

A privacy impact assessment (PIA) could not be identified for this collection at this time, but Privacy Act System of Records notice (SORN) has been issued for this system under IRS 36.003, General Personnel and Payroll Records. The Department of Treasury PIAs can be found at <http://www.treasury.gov/privacy/PIAs/Pages/default.aspx>

Title 26 USC 6109 requires inclusion of identifying numbers in returns, statements, or other documents for securing proper identification of persons required to make such returns, statements, or documents and is the authority for social security numbers (SSNs) in IRS systems.

12. **ESTIMATED BURDEN OF INFORMATION COLLECTION**

	<u>Number of Responses</u>	<u>Time per Response</u>	<u>Total Hours</u>
<b>Form 12854</b>	<b>24,813</b>	<b>15 min.</b>	<b>6,203</b>

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 October 8, 2014 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 operations, 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. Printing of Form 12854 is done as part of an application booklet at a cost of \$2,950.00 per 1,000.

**15. REASONS FOR CHANGE IN BURDEN**

There were no changes made to the document that resulted in any change to the burden previously reported to OMB.

We are 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 the public interest will be better served by not printing an expiration date on the form in this package.

Printing the expiration date on the form will result in increased costs because of the need to replace inventories that become obsoleted by passage of the expiration date each time OMB approval is renewed. Without printing the expiration date, supplies of the form could continue to be used.

The time period during which the current edition of the form in this package will continue to be usable cannot be predicted. It could easily span several cycles of review and OMB clearance renewal. In addition, usage fluctuates unpredictably. This makes it necessary to maintain a substantial inventory of forms in the supply line at all times. This includes supplies owned by both the Government and the public. Reprinting of the form cannot be reliably scheduled to coincide with an OMB approval expiration date. This form may be privately printed by users at their own expense. Some businesses print complex and expensive marginally punched continuous versions, at their expense, for use in their computers. The form may be printed by commercial printers and stocked for sale. In such cases, printing the expiration date on the form could result in extra costs to the users.

Not printing the expiration date on the form(s) will also avoid confusion among taxpayers who may have identical forms with different expiration dates in their possession.

For the above reasons we request authorization to omit printing the expiration date on the form in this package.

**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.