

SUPPORTING STATEMENT

OMB # 1545-1913

Form 8892

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The service has had a longstanding problem with the misapplication of gift tax payments that are made with Form 4868. To address this problem, we created Form 8892 as authorized by IRC sections 6151 and 6081 and Regulation sections 25.6151-1 and 25.6081-1. The form serves a dual purpose. First, the form enables taxpayers to request an extension of time to file Form 709, when they are not filing an individual income tax extension. Second, the form serves as a payment voucher for taxpayers, who are filing an individual income tax extension (by Form 4868) and will have a gift tax balance due on Form 709.

2. USE OF DATA

The information is to be used to (a) grant or deny requests for extension to file Form 709, and (b) process payments of Gift/GST tax by the Cincinnati Processing Center. The information will be used to ensure that gift/GST tax payments are properly applied to taxpayer accounts.

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

This collection places no undue burden on small businesses.

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

Less frequent collection will foster the possibility that granting requests for extension to file Form 709, and the processing of payments of Gift/GST tax may be delayed.

7. **SPECIAL CIRCUMSTANCES REQUIRING DATA COLLECTION TO BE INCONSISTENT WITH GUIDELINES IN 5 CFR 1320.5(d)(2)**

This data collection is not inconsistent with guidelines in 5CFR 1320.5(d)(2).

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 meetings, there is an opportunity for those attending to make comments regarding Form 8892.

In response to the Federal Register Notice (80 FR 7529), dated February 10, 2015, we received no comments during the comment period regarding Form 8892.

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

No payments or gifts are being provided to respondents.

10. **ASSURANCE OF CONFIDENTIALITY OF RESPONSES**

Generally, tax returns and tax return information are confidential as required by USC 6103.

11. **JUSTIFICATION OF SENSITIVE QUESTIONS**

The SSN is used for securing proper identification of persons required to make such returns, statements, or documents.

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the “Returns Inventory and Classification System (RICS)” and a Privacy Act System of Records notice (SORN) has been

issued for this system under Treas/IRS 24.046 BMF; The Internal Revenue Service's PIAs can be found at <http://www.irs.gov/uac/Privacy-Impact-Assessments-PIA>.

12. **ESTIMATED BURDEN OF INFORMATION COLLECTION**

The burden estimate is as follows:

Form 8892	<u>Number of Responses</u>	<u>Time per Response</u>	<u>Total Hours</u>
	10,000	.72	7,200

13. **ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

There are no estimated annual costs to respondents.

14. **ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT**

The primary cost to the government consists of the cost of printing Form 8892. We estimate that the cost of printing the form is \$1,000.

15. **REASONS FOR CHANGE IN BURDEN**

There is no change in the burden previously approved by OMB.

16. **PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION**

There are no plans for tabulation, statistical analysis and publication.

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(s) in this package.

Printing the expiration date on the form will result in increased costs because of the need to replace inventories that become obsolete 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(s) 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(s) in this package. See attachment.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT ON OMB FORM 83-I

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.