

**SUPPORTING STATEMENT
(Form 8933)
OMB # 1545-2132**

• **CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

Form 8933, Carbon Dioxide Sequestration Credit, was developed to carry out the provisions of new Code section 45Q. This new section was added by section 115 (Division B) of the Emergency Economic Stabilization Act of 2008 (Public Law 110-343). This credit is available for qualified carbon dioxide captured after October 3, 2008, at a qualified facility and disposed of in secure geological storage or used as a tertiary injectant in a qualified enhanced oil or natural gas recovery project.

• **USE OF DATA**

Form 8933 will provide a standardized format to claim this credit to an eligible person that captures, after October 3, 2008, qualified carbon dioxide at a qualified facility and physically or contractually ensures the disposal of or the use as a tertiary injectant of the qualified carbon dioxide.

• **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.

• **EFFORTS TO IDENTIFY DUPLICATION**

We have attempted to eliminate duplication within the agency wherever possible.

• **METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES**

There are no small entities affected by this collection.

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

If the IRS did not collect this information, the IRS would not be able to standardize a format to claim credit for eligible persons that captures qualified carbon dioxide at a qualified facility and therefore would not be able to physically or contractually ensure the disposal of or the use as a tertiary injectant of the qualified carbon dioxide.

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

There are no special circumstances requiring data collection to be inconsistent with guidelines in 5 CFR 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 8933.

In response to the Federal Register notice dated August 5, 2015 (80 FR 46648), we received no comments during the comment period regarding Form 8933.

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

No payment or gift has been provided to any respondents.

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:

Form	<u>Number of Responses</u>	<u>Time per Response</u>	<u>Total Hours</u>
8933	100	2.15	215

Form 8933 is used by individuals, households, estates and trusts. The estimate of burden that is being reported under 1545-2132 reports only the burden imposed on estates and

trusts. The portion of the burden imposed on individuals and households are approved and reported under OMB Control Number 1545-0074. The burden associated with the business filers are being reported under OMB Control Number 1545-0123.

Estimates of the annualized cost to respondents for the hour burdens shown above are not available at this time.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no start-up costs associated with this collection.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

After consultation with various functions within the Service, we have determined that the cost of developing, printing, processing, distribution and overhead for the form is \$7,550.

15. REASONS FOR CHANGE IN BURDEN

This request is for the reinstatement of an expired information collection. There is no actual change in burden.

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 that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the form sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of the OMB approval and obtain a new expiration date before the old ones expires.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement.

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.

