

**SUPPORTING STATEMENT**  
**Form 13925**  
**IRC Section 6324A Lien Agreement Form**  
**1545-2109**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 6324A of the Code permits an executor of a decedent's estate to elect a lien on section 6166 property in favor of the United States in lieu of a bond or other personal liability if an election under section 6166 or 6166A (as in effect prior to its repeal by the Economic Recovery Tax Act of 1981) was made. The election under section 6324A will not be effective unless all parties having an interest in the property subject to the lien sign an agreement in which they consent to the creation of the lien. The agreement is to be attached to the notice in which the lien under section 6324A is elected.

Form 13925 lists the information required in Regulation section 301.6324A-1(b)(1) and was drafted to help taxpayers file liens that will be valid under section 6324A and the regulations.

2. USE OF DATA

The data is required by regulation section 301.6324A-1(b)(1) (OMB number 1545-0757) and will be used by the IRS to secure its interest in the estate tax that is paid in installments under section 6166. The IRS will monitor the property that is collateral for the section 6324A special lien, and may require additional security should the value of the property decrease to less than the value of the outstanding tax during the deferral period. The IRS is able to require additional security under IRC section 6324A(d)(5).

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS Publications, Regulations, Notices and Letters are to be electronically enabled as practicable in accordance with the IRS Reform and Restructuring Act of 1998. At this time, electronically enabling the Form 13925 is not practicable due to the low volume of filers.

4. EFFORTS TO IDENTIFY DUPLICATION

We have attempted to eliminate duplication within the agency wherever possible. For example, any valuation information previously submitted to the IRS either with a return or during examination with respect to the property used as collateral will not be requested again from the taxpayer.

5. 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

The data is required by regulation section 301.6324A-1(b)(1) (OMB number 1545-0757) and will be used by the IRS to secure its interest in the estate tax that is paid in installments under section 6166. The IRS will monitor the property that is collateral for the section 6324A special lien, and may require additional security should the value of the property decrease to less than the value of the outstanding tax during the deferral period. The agency needs to collect this information and to monitor it frequently to secure its interest in the property that is used as collateral.

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

Final regulations (TD 7941) were published on February 7, 1984 (49 FR 4467).

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 13925.

In response to the **Federal Register** notice dated July 27, 2015(80 FR 44424) we received no comments during the comment period regarding Form 13925.

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

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the "Automated Lien System-ENTITY (ALS-ENTITY)" system and a Privacy Act System of Records notice (SORN) has been issued for this system under: Treasury/IRS 26.009-Lien Files (Open and Closed), Treasury/IRS 36.003-General Personnel and Payroll Records, Treasury/IRS 34.037-IRS Audit Trail and Security Records System , Treasury/IRS 24.030-CADE Individual Master File (IMF), Treasury/IRS 24.046-CADE Business Master File (BMF), and Treasury/IRS 26.019-Taxpayer Delinquent Account (TDA).

The Internal Revenue Service PIAs can be found at <http://www.irs.gov/uac/Privacy-Impact-Assessments-PIA> .

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

For taxpayers making the election under section 6166 and

having to provide financial information, the likely respondents are executors or administrators of the estate. The estimated number of respondents that may be completing Form 13925 is 500 annually. The estimated hour burden for preparing the Form 13925 is one hour, which includes time to glean information from Form 706 and the current appraisal or valuation documentation. Respondents that file the form will be required to provide valuation information annually each year thereafter until the estate tax is collected in full. The estimated hour burden for submitting annual valuation documentation is one hour, which is the amount of time it will take to submit the valuation documentation to the IRS.

The total annual burden is 500 hours.

|            | <u>Total Responses</u> | <u>Time Per Response</u> | <u>Total Burden Hours</u> |
|------------|------------------------|--------------------------|---------------------------|
| Form 13925 | 500                    | 1hr.                     | 500                       |

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

There is no estimated cost to the federal government.

15. REASONS FOR CHANGE IN BURDEN

Burden associated with the regulations (TD 7941) is being reported under 1545-0757. The agency has removed the burden associated with the regulations to reduce redundancy and duplicate reporting. The removal of the regulation burden results in a 10 hour decrease in the total 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

See attachment.

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.