

SUPPORTING STATEMENT
OMB Control Number 1545-2004
Notice 2006-52

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 179D of the Internal Revenue Code provides a deduction for an owner of energy efficient commercial building property that is placed in service during the taxable year.

This notice clarifies and amplifies Notice 2006–52, 2006–1 C.B. 1175. Notice 2006–52 provides a process that allows a taxpayer who owns a commercial building and installs property as part of the commercial building’s interior lighting systems, heating, cooling, ventilation, and hot water systems, or building envelope to obtain a certification that the property satisfies the energy efficiency requirements of § 179D(c)(1) and (d) of the Internal Revenue Code. Notice 2006–52 also provides for a public list of software programs that may be used in calculating energy and power consumption for purposes of § 179D.

Taxpayers are required by section 179D (statute) to certify each project for which they claim the 179D deduction. The Service has not added to that burden in Notice 2008-40 but simply provided guidance on how to complete the certification process required by the statute.

2. USE OF DATA

The data will be used by taxpayers (1) to obtain a certification that the energy efficient commercial building project satisfies the requirements of § 179D and (2) to determine which software programs may be used to calculate energy and power consumption and costs for purposes of providing a certification that satisfies the requirements of § 179D.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS Publications, Regulations, Notices and Letters are to be electronically enabled on an as practicable basis in accordance with the IRS Reform and Restructuring Act of 1998.

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

There are no small businesses or other small entities.

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

Taxpayers are required by section 179D to obtain a certification that verifies that the energy efficient commercial building property for which they are claiming the section 179D deduction satisfies the energy efficiency requirements of § 179D(c) (1) and (d). This certification must be acquired prior to the taxpayer claiming the deduction on a tax return.

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

This notice was published in the Internal Revenue Bulletin (2008-14 I.R.B. 725).

We received no comments during the comment period in response to the Federal Register notice (81 FR 2963), dated January 19, 2016.

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

No payment of gift has been provided to 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 is collected.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Section 179D provides that the energy and power consumption and costs of commercial building property shall meet the certification requirements prescribed the Secretary in consultation with the Secretary of Energy.

The likely respondents are two groups: taxpayers claiming the deduction under § 179D (section 3) and software developers seeking to have software included on the public list created by the Service (section 5).

For taxpayers claiming the deduction under § 179D, the likely respondents are corporations and partnerships. The estimated total annual reporting burden is 3,761 hours. The estimated number of respondents is 21,767.

This collection's burden includes third-party disclosure, in the following forms:

a) Software designers must provide the taxpayer (building owner) certification (third party disclosure) that verifies that the energy efficient commercial building property for which they are claiming the section 179D deduction satisfies the energy efficiency requirements of § 179D(c)(1) and (d); and

b) Software developers wishing to have their products included on the Department of Energy's public list of software that may be used to calculate energy and power consumption/costs must submit their information to Energy per section 4 of Notice 2008-40.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There is no estimated annual cost burden to the respondent.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

There are no known annualized costs to the federal government.

15. REASONS FOR CHANGE IN BURDEN

There is no change in the paperwork burden previously approved by OMB. We are making this submission to renew the OMB approval.

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 regulations sunset 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 one expires.

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

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.