

SUPPORTING STATEMENT
(Form 11-C)
OMB # 1545-0236

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Internal Revenue Code section 4411 imposes an occupational tax on each person who is engaged in receiving wagers for or on behalf of any person liable for tax on those wagers under Code section 4401. Regulations section 44.4412-1 requires that every person required to pay the occupational tax imposed under Code section 4411 must register and file Form 11-C.

2. USE OF DATA

This form contains data needed by the Service to register the applicant, as a basis for issuing the annual occupational stamp, and as a means of verifying that the tax on wagers is reported on Form 730.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

We have no plans to offer electronic filing because of low filing 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

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 register the applicant, as a basis for issuing the annual occupational stamp, and as a means of verifying that the tax on wagers is reported on Form 730.

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 11-C.

In response to the Federal Register notice dated May 5, 2016, (81 FR 27216), we received no comments during the comment period regarding Form 11-C.

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 "Business Master File (BMF)", "Corporate Data Initiative (CDI)" system and Privacy Act System of Records notices (SORN) has been issued for these systems under Treasury/IRS 24.030-Customer Account Data Engine Individual Master File; Treasury/IRS 24.046-Business Master File and IRS 34.037-IRS Audit Trail and Security Records System, Treasury/IRS 42.001-Examination Administrative File; Treasury/IRS 42.021-Compliance Programs and Project Files. 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

The burden estimate is as follows:

<u>Form</u>	<u>No.of</u>	<u>Time per</u>	<u>Response</u>
		<u>Total hours</u>	<u>Response</u>
11-C	11,500	7.06	81,190

Form 11-C is used by businesses or other for-profits. The estimate of burden that is being reported under 1545-0236 reports only the burden imposed on businesses or other for-profits. The portion of the burden imposed on businesses or other for-profits are approved and 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.

The following regulation imposes no additional burden. Please continue to assign OMB number 1545-0236 to these regulations:

44.4411-1 44.6091-1(c)
44.4412-1
44.4901-1
44.4905-1 and 2
44.6011(a)-1(b)
44.6071-1(b)

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

The primary cost to the government consists of the cost of printing the form. We estimate the cost of printing the form is \$980.

15. REASONS FOR CHANGE IN BURDEN

There is no change in the paperwork burden previously approved by OMB. We are making this submission for renewal purposes.

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 one expires.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement for this collection.

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.