

SUPPORTING STATEMENT
OMB #1545-2153
Notice 2009-83

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 45Q was enacted by § 115 of the Energy Improvement and Extension Act of 2008, Pub. L. No. 110-343, 122 Stat. 3829 (October 3, 2008). Section 45Q(a) provides that the CO₂ sequestration credit is available for qualified carbon dioxide (CO₂) that has been captured, disposed of by a taxpayer in secure geological storage within the U.S. and not used by the taxpayer as a tertiary injectant in a qualified enhanced oil or natural gas recovery project (EOR project), or used by a taxpayer as a tertiary injectant in an EOR project, and disposed of by a taxpayer in secure geological storage within the U.S. Taxpayers who capture not less than 500,000 metric tons of CO₂ in a taxable year beginning after October 3, 2008, and meet all of the other requirements of § 45Q are eligible to claim the credit.

This notice sets forth interim guidance, pending the issuance of regulations, relating to the credit for carbon dioxide sequestration (CO₂ sequestration credit) under § 45Q of the Internal Revenue Code. The Internal Revenue Service (Service) and the Treasury Department (Treasury) expect that the regulations will incorporate the rules set forth in this notice.

2. USE OF DATA

The data will be used by the Service to verify the amount of CO₂ that has been taken into account for purposes of the § 45Q credit. The Service is statutorily required to certify that 75,000,000 metric tons of qualified CO₂ have been taken into account for purposes of the § 45Q credit. At that point, the Service will publicly announce that the § 45Q credit will cease to be available for the calendar year following such announcement.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS Publications, Regulations, Notices and Letters are to be electronically enabled on a 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 entities affected by this collection.

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

Consequences of less frequent collection on federal programs or policy activities could result in a decrease of the amount of taxes collected by the Service, inaccurate and untimely

filing of tax returns, and an increase in tax violations

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

Notice 2009-83 was published in the Internal Revenue Bulletin on November 2, 2009 (2009-44 IRB 588).

In response to the Federal Register Notice dated May 13, 2016 (81 FR 29956), we received no comments during the comment period regarding Notice 2009-83.

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)" and a Privacy Act System of Records notice (SORN) has been issued for these systems under IRS 22.062 – Electronic Filing Records; IRS 24.030 – Customer Account Data Engine (CADE) Individual Master File; IRS 24.046 - CADE Business Master File (BMF); IRS 34.037 - IRS Audit Trail and Security Records System. The Internal Revenue Service PIA's 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

The collection of information is in section 6 of this notice. This information is required to allow the Secretary to determine when 75,000,000 metric tons of qualified CO₂ have been taken into account for purposes of the § 45Q credit. The § 45Q credit will cease to be available after the end of the calendar year in which the Secretary, in consultation with the EPA, certifies that 75,000,000 metric tons of qualified CO₂ have been taken into account.

The estimated total annual reporting burden is 180 hours. The estimated annual burden per respondent varies from 2 to 10 hours, depending on individual circumstances, with an estimated average of 6 hours. The estimated number of respondents is 30.

13. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

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

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

There is no estimated annualized cost 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 of 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 notice and the availability of the election sunsets as of the expiration date.

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

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.