

1219-0040

Independent Contractor Registration and Identification

This non-substantive change request is to add one line to the form, Taxpayer Identification Number (TIN). No burden changes, supporting statement changes or other form changes take place.

Background: The U.S. Treasury requires all agencies to report penalties due to be recorded by the Treasury as amounts due to the federal government and therefore to be included in collection activities. MSHA has outstanding penalties that Treasury has been continuously returning to MSHA for failure to include the TIN, which MSHA does not have. Financial statements are out of balance due to amounts that require the TIN prior to entry into the data systems but are carried in MSHA's outstanding penalty amounts reported to the Congress and others. The effect is that most parties with penalties either pay or face collection action by the Treasury. Those who have not submitted the TIN are escaping payment therefore the penalty does not provide the discouragement for future violations which results in an uneven playing field favoring those who do not make the payments. Adding the TIN to the application for the Contractor ID reduces future probability of repeat violations and inequities.

MSHA has previously made this change for mine operators on MSHA Form 2000-7, Legal ID, under OMB No. 1219-0042 with the following history. The statute and history below creates the same legal requirement for contractors.

In 2002, MSHA modified the Legal Identity Report to include the TIN. MSHA added the TIN to comply with the requirements of the Debt Collection Improvement Act of 1996 (DCIA), codified at 31 U.S.C. § 7701(c). Specifically, the DCIA states that “[t]he head of each Federal agency shall require each person doing business with that agency to furnish to that agency such person’s [TIN].” The DCIA further states that a person is “doing business” with a Federal agency if the person is assessed a fine, fee, royalty or penalty by the agency....” MSHA uses the TIN for collecting and reporting delinquent amounts arising out of assessments made under the Federal Mine Safety and Health Act of 1977 (Mine Act), as amended by the Mine Improvement and New Emergency Response Act of 2006.