

**Supporting Statement for Form SSA-7163**  
**Questionnaire About Employment or Self-Employment Outside the United States**  
**20 CFR 404.401(b)(1), 404.415 and 404.417**  
**OMB Number 0960-0050**

**A. Justification**

**1. Introduction/Authoring Laws and Regulations**

Per Sections 203(b)&(c) of the *Social Security Act (Act)*, as amended by the *Senior Citizens' Freedom to Work Act of 2000*, SSA may make deductions from the monthly Social Security payments of employed and self-employed beneficiaries (other than disability beneficiaries) who are under full retirement age. The provisions of law governing deductions based on work activity also apply to beneficiaries outside the United States. The Commissioner of Social Security authorized the use of Form SSA-7163 to meet the requirements of Sections 203(b)&(c) of the *Act*. The Social Security Administration (SSA) regulations at 20 CFR 404.401(b)(1), 404.415, and 404.417 of the *Code of Federal Regulations* implement these two sections of the *Act*.

**2. Description of Collection**

SSA collects information on Form SSA-7163 when a Social Security beneficiary or claimant reports work outside the United States (U.S.) to determine whether foreign work deductions are applicable. SSA uses Form SSA-7163 to determine: (1) Whether work the beneficiaries performed outside the United States is cause for deductions from their monthly benefits; (2) which of two work tests (foreign or regular test) is applicable; and (3) the number of months, if any, for SSA-imposed deductions. SSA determines whether the annual earning test applies to all earnings from work covered by the *Act*, including earnings from covered work performed outside the U.S. However, because of the differences in foreign currency values, it is administratively impractical to apply this test to earnings from non-covered work performed outside the U.S. and base it on U.S. dollars. Accordingly, the 45-hour work test provides for deductions from the benefits of employees under full retirement age who engage in non-covered remunerative activity for more than 45 hours in a calendar month. SSA asks beneficiaries working outside the U.S. to complete this form annually or every other year (depending on the country of residence). Respondents are beneficiaries or claimants for Social Security benefits who are engaged in work outside the U.S.

**3. Use of Information Technology to Collect the Information**

Form SSA-7163 is available on the SSA Intranet as a printable PDF. SSA did not create an electronic version of Form SSA-7163 under the agency's Government Paperwork Elimination Act (GPEA) plan because only 20,000 respondents complete the form. This is less than the GPEA cut-off of 50,000.

**4. Why We Cannot Use Duplicate Information**

The nature of the information we collect and the manner in which we collect it precludes duplication. SSA does not use another collection instrument to obtain similar data.

**5. Minimizing Burden on Small Respondents**

This collection does not significantly affect small businesses or other small entities.

**6. Consequence of Not Collecting Information or Collecting it Less Frequently**

If SSA did not use Form SSA-7163, we would be unable to collect the necessary information regarding employment or self-employment activity from beneficiaries under full retirement age who live outside the U.S. Therefore, SSA would not be able to impose appropriate work suspensions and deductions from Social Security benefits according to the law. Because we only collect this information on an as needed basis, we cannot collect it less frequently. There are no technical or legal obstacles that prevent burden reduction.

**7. Special Circumstances**

There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with 5 *CFR* 1320.5.

**8. Solicitation of Public Comment and Other Consultations with the Public**

The 60-day advance Federal Register Notice published on December 29, 2016, at 81 FR 96160, and we received no public comments. The 30-day FRN published on March 7, 2017 at 82 FR 12878. If we receive any comments in response to this Notice, we will forward them to OMB. We did not consult with the public in the revision of this form.

**9. Payment or Gifts to Respondents**

SSA does not provide payments or gifts to the respondents.

**10. Assurances of Confidentiality**

SSA protects and holds confidential the information it collects in accordance with 42 *U.S.C.* 1306, 20 *CFR* 401 and 402, 5 *U.S.C.* 552 (Freedom of Information Act), 5 *U.S.C.* 552a (Privacy Act of 1974) and OMB Circular No. A-130.

**11. Justification for Sensitive Questions**

The information collection does not contain any questions of a sensitive nature.

**12. Estimates of Public Reporting Burden**

<b>Modality of Completion</b>	<b>Number of Respondents</b>	<b>Frequency of Response</b>	<b>Average Burden Per Response (minutes)</b>	<b>Estimated Total Annual Burden (hours)</b>
SSA-7163	20,000	1	12	4,000

Approximately 20,000 respondents take 12 minutes each to complete the SSA-7163 each year. Accordingly, the burden is 4,000 hours. This figure represents burden hours, and we did not calculate a separate cost burden.

**13. Annual Cost to the Respondents (Other)**

This collection does not impose a known cost burden on the respondents.

**14. Annual Cost To Federal Government**

The annual cost to the Federal Government is approximately \$30,800. This estimate is a projection of printing and distribution costs for the information collection.

**15. Program Changes or Adjustments to the Information Collection Request**

There are no changes to the public reporting burden.

**16. Plans for Publication Information Collection Results**

SSA will not publish the results of the information collection.

**17. Displaying the OMB Approval Expiration Date**

OMB granted SSA an exemption from the requirement to print the OMB expiration date on its program forms. SSA produces millions of public-use forms with life cycles exceeding those of an OMB approval. Since SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis), OMB granted this exemption so SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, avoiding Government waste.

**18. Exceptions to Certification Statement**

SSA is not requesting an exception to the certification requirements at *5 CFR 1320.9* and related provisions at *5 CFR 1320.8(b)(3)*.

**Collections of Information Employing Statistical Methods**

SSA does not use statistical methods for this information collection.

**Addendum for Form SSA-7163  
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**Revision to the Collection Instrument**

*In this ICR we are requesting clearance of a new Internet-based version of form SSA-7163. This version, which respondents can fill out online, will save time for both respondents and SSA field office employees.*

