

1SUPPORTING STATEMENT
Internal Revenue Service
Application for Reward for Original Information
OMB # 1545-0409

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The Whistleblower Office was established as a result of enactment of the Tax Relief and Health Care Act of 2006 (the Act), signed into law on December 20, 2006. Section 406 of the Act amended IRC 7623 concerning the payment of awards. Individuals are eligible for an award based on the amount collected as a result of any administrative or judicial action in which the Internal revenue Service (IRS) proceeded based on information provided. The Whistleblower Office:

- a. Reviews and evaluates claims filed for award filed by whistleblowers.
- b. Coordinates whistleblower claims with other functions within the Service.
- c. Monitors claims throughout the life of each claim, including through the investigation, examination, appeals, and collection process.
- d. Evaluates the benefit of the information brought forward by the whistleblower.
- e. Makes a determination about the appropriateness of an award.
- f. Determines the appropriate percentage for award.
- g. Chairs the Whistleblower Executive Board which provides executive level coordination and direction for the whistleblower program.
- h. Facilitates communication with external and internal customers and stakeholders concerning the Whistleblower Program.

The IRS has generally referred to persons who submit information under section 7623 as “informants,” and referred to the program as the “Informant Claims Program.” A whistleblower who wishes to report possible instances of tax fraud by another individual, and does not want an award, must complete public use Form 3949 A (1545-1960), Information Referral, or provide the information via a letter. If the whistleblower indicates he or she wants an award, the whistleblower can complete Form 211, Application for Award for Original Information. Notice 2008-4 was published to provide instructions on how to complete Form 211 and where to send it.

2. USE OF DATA

IRS uses the information on this form to carry out the internal revenue laws of the United States. The authority to ask for this information is 26 USC 6109 and 7623. Failure to collect the information will prevent taxpayers from providing the necessary information to comply with the current tax laws.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS has no plans at this time to offer electronic filing because of the low volume compared to the cost of electronic enabling.

4. **EFFORTS TO IDENTIFY DUPLICATION**

The information obtained through this collection is unique and is not already available for use or adaptation from another source.

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**

IRS uses the information on Form 211 to carry out the internal revenue laws of the United States. The authority to ask for this information is 26 USC 6109 and 7623. Failure to collect the information will prevent taxpayers from providing the necessary information to comply with the current tax laws.

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 2008-4 was published January 14, 2008 (2008-2 I.R.B. 253), and provided guidance to the public on how to file claims under Internal Revenue Code section 7623 as amended by the Tax Relief and Health Care Act of 2006, Pub. L. No. 109-432 (120 Stat. 2958) (the Act) enacted on December 20, 2006. Interested parties were invited to submit comments through February 13, 2008.

In response to the Federal Register Notice dated January 11, 2017, (82 FR 3385), we received no comments relating to the ICR.

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 “Fraud Inventory Management System (FIMS)” system and a Privacy Act System of Records notice (SORN) has been issued for this system under:

Treas/IRS 24.030-- CADE Individual Master File;
 Treas/IRS 24.046- CADE Business Master File;
 Treas/IRS 42.001-- Examination Admin Files;
 Treas/IRS 42.031--Anti-Money Laundering /Bank Secrecy Act (BSA) and Form 8300 Records.

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**

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
IRC 7623	Application for Reward for Original Information	20,000	1	20,000	.75	15,000
Totals		20,000				15,000

IRS estimates that the annualized cost to respondents for the hour burdens shown are nominal.

13. **ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

As suggested by OMB, our Federal Register notice dated January 11, 2017, requested public comments on estimates of cost burden that are not captured in the estimates of burden hours, i.e., estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. However, we did not receive any response from taxpayers on this subject.

14. **ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT**

There are no estimated annualized costs to the Federal government.

15. REASONS FOR CHANGE IN BURDEN

There are no changes to the burden previously approved by OMB.

This submission is for renewal purposes only.

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 statutes/regulation sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of 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.

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.