

**SUPPORTING STATEMENT****Internal Revenue Service****26 CFR 31.6001-1 Records in general; 26 CFR 31.6001-2 Additional Records under FICA;****26 CFR 31.6001-3, Additional records under Railroad Retirement Tax Act;****26 CFR 31.6001-5 Additional records****OMB #1545-0798****1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

Internal Revenue Code section 6001 requires, in part, that every person liable for tax, or for the collection of that tax, keep such records and comply with such rules and regulations as the Secretary (of the Treasury) may from time to time prescribe. It also allows the Secretary, in his or her judgment, to require any person to keep such records that are sufficient to show whether or not that person is liable for tax. The regulations under 26 Code of Federal Regulations 31.6001 have special application to employment taxes (and to employers).

**2. USE OF DATA**

These recordkeeping requirements that Internal Revenue Code § 6001 and the CFR 31.6001 place on the public are needed to ensure proper compliance with the legal statutes enacted by Congress. Upon examination these records are needed by the taxpayer to establish the employment tax liability claimed on any return.

**3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN**

IRS Publications, Regulations, Notices and Letters are to be electronically enabled on an as practicable basis in accordance with the IRS Reform and Restructuring Act of 1998. We have no plans to offer electronic record keeping because this is record keeping requirements.

**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**

We have attempted to minimize the burden on small businesses or other small entities wherever possible however, there is no flexibility to reduce burden on small businesses or other small entities because the statutes apply to small businesses and small entities.

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

A less frequent collection could result in the Internal Revenue Service being unable to determine

the support of the employment tax liability during an audit and thereby preventing the IRS from meeting its mission.

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

These are existing regulations published in 26 CFR 31.6001-1; 26 CFR 31.6001-2(a); 26 CFR 31.6001-3; 26 CFR 31.6001-5; and 26 CFR 31.6001-6.

We received no comments during the comment period in response to the *Federal Register* Notice (82 FR 10184), dated February 9, 2017.

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)" system and a Privacy Act System of Records notice (SORN) has been issued for this system under IRS 24.046-Customer Account Data Engine Business Master File. The Department of Treasury PIAs can be found at <https://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

These burden estimates were determined based on IRS internal filing processes with persons knowledgeable in the examination process for employment tax returns and the records needed in connection with that process.

Authority	Description Record Keeping	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
31.6001-1, 2, 3, 5	Domestic Employers	560,982	1	560,982	1.74315575	977,879
31.6001-1, 2, 3, 5	Agricultural Employers	420,442	1	420,442	1.79832414	756,091
31.6001-1, 2, 3, 5	Railroad Employers	2,456	1	2,456	12.3265472	30,274
31.6001-1, 2, 3, 5	All other Employers	4,692,383	1	4,692,383	6.07574147	28,509,706
<b>Totals</b>		<b>5,676,263</b>				<b>30,273,950</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

There are no known annualized costs to the federal government.

15. REASONS FOR CHANGE IN BURDEN

There are no changes to the paperwork 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 regulation 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.

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.