

**SUPPORTING STATEMENT**  
**Internal Revenue Service**  
**TD 8566 - General Asset Accounts Under the Accelerated Cost Recovery System**  
**OMB No. 1545-1331**

**1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

Section 168(i)(4) of the Internal Revenue Code authorizes the Secretary of the Treasury to provide rules under which a taxpayer may elect to account for property in one or more general asset accounts for depreciation purposes. Section 1.168(i)-1(g) of the regulations sets forth the time and manner of making an election under section 168(i)(4).

**2. USE OF DATA**

The information required by §1.168(i)-1(g) of the regulations will be used to monitor compliance with the election under section 168(i)(4) of the Internal Revenue Code.

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

The collection of information does not involve the use of automated, electronic, or other technological collection techniques. There is no plan to offer electronic filing for this collection due to the low volume of filers.

**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 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**

If the Internal Revenue Service (IRS) did not collect this information, the IRS will not be able to provide rules under which a taxpayer may elect to account for property in one or more general asset accounts for depreciation purposes. Section 1.168(i)-1(g) of the regulations sets forth the time and manner of making an election under section 168(i)(4) and would be unable to meet 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 regulations were published in the **Federal Register** as a Notice of Proposed Rulemaking on August 31, 1992 (57 FR 39374). A public hearing was held on November 4, 1992. Final regulations were published on October 11, 1994 (59 FR 51369).

In response to the Federal Register notice dated March 22, 2017 (82 FR 14803), we received no comments during the comment period regarding TD 8566.

**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**

No personally identifiable information (PII) is collected.

**12. ESTIMATED BURDEN OF INFORMATION COLLECTION**

Section 1.168(i)-1(g) of the regulations sets forth the time and manner of making an election under section 168(i)(4) of the Code. Section 168(i)(4) provides an election to account for property in one or more general asset accounts for depreciation purposes. We estimate that 1,000 persons will make the election each year, which is estimated to take .20 to .30 hours to complete, depending on individual circumstances, with an estimated average of .25 hours to complete the election, for a total estimated reporting burden of 250 hours.

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
1.168(i)-1(g) 168(i)(4)	Election	1000	1	1000	.25	250
Totals		1000				250

Estimates of the annualized cost to respondents for the hour burdens shown are not available at this time.

**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 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 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 for this collection.

**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.