Supporting Statement for Form SSA-7104 Partnership Questionnaire 20 CFR, Subpart K, 404.1080-404.1082(e) OMB No. 0960-0025

A. Justification

1. Introduction/Authoring Laws and Regulations

Section 205(b)(1) of the Social Security Act (*Act*) directs the Commissioner of the Social Security Administration (SSA) to make findings and decisions as to the rights of individuals applying for payments under the *Act*. Section 205(c)(2)(A) of the *Act* requires the Commissioner to establish and maintain records of such individuals. Sections $20 \ CFR \ 404.1080-404.1082(e)$ of the *Code of Federal Regulations*, defines a partnership as two or more persons joined to carry on a trade or business. Each partner contributes in one or more ways with money, property, labor or skill; and shares in the profits and risks of loss in accordance with the partnership agreement or understanding. To carry out these laws and governing regulations, SSA uses Form SSA-7104, Partnership Questionnaire.

2. Description of Collection

SSA considers partnership income in determining entitlement to Social Security benefits. SSA uses information from Form SSA-7104 to determine several aspects of eligibility for benefits, including the accuracy of reported partnership earnings; the veracity of a retirement; and lag earnings where SSA needs this information to determine the status of the insured. The respondents are applicants for, and recipients of, Title II Social Security benefits who are reporting partnership earnings.

3. Use of Information Technology to Collect Information

This form is available for public use as an on-line, fillable, PDF for respondents to fill out, print, and send to SSA for processing. SSA did not create an electronic version of Form SSA-7104 under the agency's Government Paperwork Elimination Act (GPEA) plan because, per the last available data, there were only 3,263 respondents downloading 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 preclude duplication. SSA does not use another collection instrumennt that collects similar data.

5. Minimizing Burden to Small Respondents

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

6. Consequences of Not Collecting Information or Collecting It Less Frequently If SSA did not use Form SSA-7104, the agency may not be able to make proper eligibility determinations, and incorrect payments to beneficiaries may occur. In

addition, because SSA collects this information on an as needed basis, the agency cannot collect it less frequently.

There are no technical or legal obstacles to burden reduction.

7. Special Circumstances

There are no special circumstances that would cause SSA to collect this information 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 August 29, 2017 at 82 FR 41058, and we received no public comments. SSA published the second Notice on November 22, 2017 at 82 FR 55707. If we receive comments in response to the 30-day 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 we collect 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 Burden

Per our current management information data, approximately 12,350 respondents use Form SSA-7104 annually. We estimate the average response time is 30 minutes, for a total of 6,175 burden hours. The total burden 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 to the respondents.

14. Annual Cost to the Federal Government

The annual cost to the Federal Government is approximately \$223,000. This estimate accounts for costs from the following areas: (1) designing, printing, and distributing the form; and (2) SSA employee (e.g., field office, 800 number, DDS staff) information collection and processing time.

15. Program Changes or Adjustments to the Information Collection Request

There are no changes in 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. Exception 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).

B. <u>Collections of Information Employing Statistical Methods</u>

SSA does not use statistical methods for this information collection.