

SUPPORTING STATEMENT
Internal Revenue Service
1545-1768
Optional Election to Make Monthly Sec. 706
Revenue Procedure 2003-84

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

This revenue procedure allows certain partnerships that invest in tax-exempt obligations to make an election that enables the partners to take into account monthly the inclusions required under §§ 702 and 707(c) of the Internal Revenue Code and provides rules for partnership income tax reporting under § 6031 for such partnerships.

2. USE OF DATA

The information contained in these regulations will be used to determine the requirements with respect to use the election statement as evidence that the taxpayer will close its books with respect to money market fund partners that consent to the election.

The Internal Revenue Service will use the consent statement as evidence that a partner consents to the election made by the partnership.

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. IRS intends to offer electronic filing to the extent it is practicable however in this case it isn't practicable because of the evaluative nature of the determination.

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

The collections of information in these regulations will not have a significant economic impact on a substantial number of small entities.

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

Consequences of less frequent collection on the consent statement as evidence that a partner consents to the election made by the partnership will hinder the IRS from using

the election statement as evidence that the taxpayer will close its books with respect to money market fund partners that consent to the election and hinder 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

Revenue Procedure 2002-16 was published in the Internal Revenue Bulletin on March 4, 2002, (2002-9 I.R.B.572). On October 28, 2002, Revenue Procedure 2002-68 (2002-43 I.R.B. 753), was published modifying and superseding Revenue Procedure 2002-16. On December 1, 2003, Revenue Procedure 2003-84 (2003-48 I.R.B. 1159), was published modifying and superseding Revenue Procedure 2002-68.

We received no comments during the comment period in response to the Federal Register notice dated October 2, 2017 (82 FR 45949).

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, and IRS 34.037-IRS Audit Trail and Security Records System. The Internal Revenue Service PIAs can be found at <http://www.IRS.gov/privacy/PIAs/Pages/default.aspx>.

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.

The Privacy Act statement is not included on the consent election because it is prepared by the respondent. The statement is attached to the respondents federal return and the instructions to the federal return contain Privacy Act statement.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The collection of information is in sections 5 and 6 of this revenue procedure. This information is required to inform the Service which partners and partnerships are making the designated election and to report income appropriately. The estimated total annual reporting and recordkeeping burden is 500 hours. The estimated annual burden per respondent/recordkeeper is 1/2 hour. The estimated number of respondents and recordkeepers is 1,000.

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

Burden associated with specific elections are identified on the attached burden table and the total burden identified is:

Authority	# Respondents	# Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Burden
IRC § 702	1,000	1	1,000	.50	500

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

To ensure more accuracy and consistency across its information collections, IRS is currently in the process of revising the methodology it uses to estimate burden and costs. Once this methodology is complete, IRS will update this information collection to reflect a more precise estimate of burden and costs.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

To ensure more accuracy and consistency across its information collections, IRS is currently in the process of revising the methodology it uses to estimate burden and costs. Once this methodology is complete, IRS will update this information collection to reflect a more precise estimate of burden and costs.

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.

	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses	1000	0	0	0	0	1000
Annual Time Burden (Hr)	500	0	0	0	0	500

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

IRS believes 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 ON OMB FORM 83-I

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.