

**Supporting Statement**  
**Internal Revenue Service**  
**Revenue Procedure 2014-55 (Election Procedures and Information Reporting with Respect**  
**to Interests in Certain Canadian Retirement Plans)**  
**OMB # 1545-1773**

**1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

The treatment of pension, retirement or employee benefits under the U.S. - Canada income tax treaty (“Treaty”) was amended by a protocol signed on March 17, 1995 (“1995 Protocol”). Under Article XVIII(7) of the Treaty, which was added by the 1995 Protocol, citizens or residents of the United States who are beneficiaries of an eligible Canadian pension plan may defer United States taxation on income accruing in the plan until the time of distribution under procedures established by the Internal Revenue Service. Article XVIII(7) expanded and replaced Article XXIX(5) of the Treaty. This revenue procedure supersedes Revenue Procedure 2002-23, 2002-1 C.B. 744, and Notice 2003-75, 2003-2 C.B. 1204. This revenue procedure also provides guidance concerning information reporting with respect to interests in certain Canadian retirement plans.

**2. USE OF DATA**

The Internal Revenue Service will use the data collected from the United States citizens and residents to ensure that those persons who are claiming deferral of United States taxation on income accruing in Canadian pension plans are eligible to do so under the Treaty. An eligible individual who did not previously make an election under Article XVIII(7) of the Convention to defer current U.S. income taxation on the undistributed income of a Canadian retirement plan will be treated as having made the election in the first year in which the individual would have been entitled to elect the benefits under Article XVIII(7) with respect to the plan. Consequently, such eligible individual will not be required to make the election for that first year or for any subsequent years either on Form 8891 or under the procedures set forth in Revenue Procedure 2002-23. If an eligible individual has an interest in more than one Canadian retirement plan, this paragraph 4.02 applies separately to each such plan. In accordance with section 6 of this revenue procedure, eligible individuals must report on their U.S. Federal income tax return any income that has accrued in the plan when it is distributed.

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

Electronic filing of the application is not currently available due to the low number of filers. IRS has determined that the relatively low volume does not justify 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 is minimal to no burden on small businesses or entities by this collection due to the inapplicability of the authorizing statute to this type of entity.

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

A less frequent collection of this information would not allow the IRS to collect from the United States citizens and residents to ensure that those persons who are claiming deferral of United States taxation on income accruing in Canadian pension plans are eligible to do so under the Treaty thereby hindering 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**

IRS has consulted with the Canadian government.

In response to the Federal Register notice dated November 21, 2017 (82 FR 55489), we received no comments during the comment period regarding Rev. Proc. 2014-55.

9. **EXPLANATION OF DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS**

No payment or gift will be provided to any respondents.

10. **ASSURANCE OF CONFIDENTIALITY OF RESPONSES**

Generally, tax returns and return information are confidential as required by 26 U.S.C. 6103.

11. **JUSTIFICATION OF SENSITIVE QUESTIONS**

No sensitive personally identifiable information (PII) is collected.

**12. ESTIMATED BURDEN OF INFORMATION COLLECTION**

We estimate that approximately 20,000 United States citizens or residents are beneficiaries of eligible Canadian pension plans. The requirement of this election under has changed from first-time and annual elections to the requirement of first elections only under this revenue procedure. This election is made by attaching a statement to the tax return. The average response time per individual is estimated to be .5 hours. The total estimated burden is 10,000 hours.

<b>Authority</b>	<b>Description</b>	<b># of Respondents</b>	<b>#Responses per Respondent</b>	<b>Annual Responses</b>	<b>Hours per Response</b>	<b>Total Burden</b>
	Rev . Proc. 2014-15	20,000	1	20,000	.5	10,000
Totals				20,000		10,000

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. IRS is 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**

IRS believes that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the revenue procedure 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 to 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, collection 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.