

SUPPORTING STATEMENT  
Internal Revenue Service  
Form 8878/A,  
IRS *e-file* Electronic Funds Withdrawal Authorization for Form 7004  
OMB control# 1545-1927

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The Service has begun electronic filing of Form 7004, Request for Automatic Extension of Time to File Corporation Income Tax Return. This form is necessary to allow corporations and electronic return originators (EROs) to use an electronic signature to authorize a direct debit for payment of taxes due with Form 7004.

The authority for this form is section 6011 of the Internal Revenue Code. (P.L. 105-206, Title II, sections 2001-2005.)

2. USE OF DATA

This form is used by a corporate officer or agent to use an electronic signature, or to authorize an electronic return originator to use an electronic signature on its behalf, to authorize electronic funds withdrawal to pay taxes when filing Form 7004 electronically. The form is not filed with the IRS, but is to be retained by the ERO for 3 years from the return due date or IRS received date, whichever is later.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

This form is not intended to be filed electronically. IRS has no plans to offer electronic enabling because this is record keeping requirement.

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 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 POLICY ACTIVITIES

Consequences of less frequent collection on federal programs or policy activities would result in the IRS unable to comply with requirements of section 6011 authorizing an electronic return originator to use an electronic signature on its behalf, and to authorize electronic funds withdrawal to pay taxes when filing Form 7004 electronically; thereby endangering the ability of the IRS 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

Periodic meetings are held between IRS personnel and representatives of the American Bar Association, the National Society of Public Accountants, the American Institute of Certified Public Accountants, and other professional groups to discuss tax law and tax forms. During these meetings, there is an opportunity for those attending to make comments regarding Form 8878-A.

In response to the *Federal Register* notice dated October 02, 2017 (82 FR 45953), we received no comments during the comment period regarding Form 8878-A.

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 "Electronic Filing (ELF-R)" system and a Privacy Act System of Records notice (SORN) has been issued for these systems under IRS 22.062 – Electronic Filing Records; IRS 24.030 - CADE Individual Master File; 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.

No sensitive personally identifiable information is being collected by the agency. Information is being kept by the corporate officer or agent and only provided during an inquiry.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The burden estimate is as follows:

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
IRC 6011	Form 8878-A	140,000	1	140,000	3.61 hrs.	505,400
Totals				140,000		505,400

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

The primary cost to the government consists of the cost of printing Form 8878-A. We estimate that the cost of printing the form is \$1,000.

15. REASONS FOR CHANGE IN BURDEN

There are no changes made to 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

IRS believes that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the regulations sunset 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.