

**SUPPORTING STATEMENT**  
Internal Revenue Service  
Mortgage Credit Certificates (MCCs)  
OMB # 1545-0922

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Mortgage Credit Certificates provide qualified holders of the certificates with a credit against income tax liability. In general, an Issuer elects to establish a mortgage credit certificate program in lieu of issuing qualified mortgage revenue bonds. Section 25 of the Code permits states and political subdivisions to elect to issue Mortgage Credit Certificates in lieu of qualified mortgage revenue bonds. See Code section 25 and sections 1.25-1T through 1.25-8T of the Regulations. The information that must be submitted in this election is contained in section 1.25-4T(c)(2) of the Regulations.

TD 8023 (50 FR 19344) published May 8, 1985, contained temporary regulations relating to the issuance of mortgage credit certificates under section 25 of the Internal Revenue Code as amended by section 612 of the Tax Reform Act of 1984 ("the Act") (Pub. L. 98-369; 98 Stat. 905). The temporary regulations provided by this document will remain in effect until superseded by final regulations on this subject.

Any person who makes a loan that is a "certified indebtedness amount" on any mortgage credit certificate (MCC) must maintain books and records of the activity and file Form 8329. Form 8330 is used by issuers (states and political subdivisions) of MCCs to provide the IRS with information required by section 25 and Temporary Regulations section 1.25-8T(b).

2. USE OF DATA

These forms will be used to provide the IRS with information regarding the issuance of MCCs under Internal Revenue Code (IRC) section 25.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Electronic filing of Forms 8329 and 8330 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 are no small entities affected by this collection.

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

These forms will be used to provide the IRS with information regarding the issuance of MCCs under IRC section 25.

Failure to collect and retain the information outlined in the regulations will complicate the taxpayer's ability to receive the proper tax credit and the IRS's ability to verify its' accuracy.

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 8329 and Form 8330.

In response to the *Federal Register* notice dated October 17, 2017 (82 FR 48318), we received no comments during the comment period regarding Form 8329 and Form 8330.

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

There are no special circumstances requiring data collection to be inconsistent with Guidelines in 5 CFR 1320.5(d)(2).

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. The Internal Revenue Service PIAs can be found at <http://www.irs.gov/uac/Privacy-Impact-Assessments-PIA>.

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.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

<b>OMB Collectio n</b>	<b>Authority</b>	<b>Form</b>	<b>Annual Responses</b>	<b>Hours per Response</b>	<b>Total Burden</b>
IRS 1545- 0922	IRC 1.25-8T	8329	10,000	5.88	58,800
1545- 0922	1.25-8T	8330	2,000	7.46	14,920
	<b>IRS TOTAL</b>		<b>12,000</b>		<b>73,720</b>

Please continue to assign OMB number 1545-0284 to these regulations.

1.25-1T through 8T

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

After consultation with various functions within the Service, we have determined that the cost of developing, printing, processing, distribution and overhead for the Form is \$40,493.

15. REASONS FOR CHANGE IN BURDEN

There are no changes being made to Form 8329 or Form 8330.

This submission is being made for renewal purposes.

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 form and / or 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.

**Note:** The following paragraph applies to all 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 if 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.

