

SUPPORTING STATEMENT
Internal Revenue Service
Application for Filing Information Returns Electronically (FIRE)
(Form 4419)
OMB # 1545-0387

• **CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

According to 26 U.S.C. 6041-6043, 6047, 6049 and 6109, all persons engaged in a trade or business, and making certain payments of taxable income must file reports of this income to IRS. Payers may file the information returns as paper documents or electronically. However, to file electronically, the payer must complete and submit an application on Form 4419 and receive prior approval from IRS. Prior approval is required so we can determine if the electronic file is compatible with IRS equipment.

An information return is a tax document used to report certain types of payments made by financial institutions and others who make payments as part of their trade or business as required by Internal Revenue Code Regulations. Forms 1042-S, 1097, 1098, 1099, 3921, 3922, 5498, 8027, 8955-SSA, and W-2G may be filed electronically via the (Filing Information Returns Electronically ([FIRE](#)) system. Forms 1095 are filed through the Affordable Care Act Information Return (AIR) system.

• **USE OF DATA**

Information on the Form 4419 is analyzed by IRS employees to ensure the electronic filer will submit media compatible with IRS equipment. This information is necessary before an applicant can be authorized to file. After the application is approved, a Transmitter Control Code, which is used to schedule and manage the files, is assigned.

Anyone with a FIRE Transmitter Control Code (TCC) who is required to submit the information returns listed above (except Forms 1095) can file electronically through FIRE. The law requires any corporation, partnership, employer, estate and/or trust, who is required to file 250 or more information returns for any calendar year, **must** file electronically. IRS encourages filers who have less than 250 information returns to file electronically as well.

• **USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN**

Form 4419 can be filed electronically, if the payer completes and submits an application on Form 4419 and receive prior approval from IRS.

. **EFFORTS TO IDENTIFY DUPLICATION**

The information obtained through this collection is unique and is not already available for use or adaptation from another source.

. **METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR OTHER SMALL ENTITIES**

The collection of information requirement will not have a significant economic impact on a substantial number of small entities.

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

Consequences of less frequent collection on federal programs or policy activities would consist of: decreased amount of taxes collected by the Service, inaccurate and untimely filing of taxes, and an increase in tax violations. If the information on the Form 4419 is not analyzed by IRS employees, the electronic filer may submit media incompatible with IRS equipment. This information is necessary before an applicant can be authorized to file. If IRS is unable to collect this information it may hinder the IRS from collecting the electronically filed returns and hinder the IRS from meeting its mission.

. **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).

. **CONSULTATION WITH INDIVIDUALS OUTSIDE OF THE AGENCY ON AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, CLARITY OF INSTRUCTIONS AND FORMS, AND DATA ELEMENTS**

In response to the Federal Register Notice (82 FR 52969), dated November 15, 2017, we received no comments during the comment period regarding Form 4419.

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

No payment of gift has been provided to any respondents.

ASSURANCE OF CONFIDENTIALITY OF RESPONSES

Generally, tax returns and tax return information are confidential as required by 26 USC 6103.

JUSTIFICATION OF SENSITIVE QUESTIONS

There is no sensitive personally identifiable information (PII) in this collection.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The burden is as follows:

	Number of Responses	Time per Response	Total Response	Hours
Form 4419	15,000	.4333	6,500	

The following regulations impose no additional burden. Please continue to assign OMB number 1545-0387 to these regulations.

- 301.6011-2, 301.6109-1, 601.602
- 1.6041-1 1.6041-4 1.6041-5
- 1.6041-7 1.6047-1 1.6042-2
- 1.6042-3 1.6043-2 1.6049-1

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 revisiting 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 4419. We estimate that the cost of printing the form is \$105.00.

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.

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

We believe that displaying the OMB expiration date is inappropriate because it could cause confusion by leading taxpayers to believe that the form / 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 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.