

**Internal Revenue Service
SUPPORTING STATEMENT
(Form 8849 and Schedules)
OMB #1545-1420**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Sections 6402, 6404, and 6511 of the Internal Revenue Code and sections 301.6402-2, 301.6404-1, and 301.6404-3 of the Regulations allow for refunds of taxes (other than income taxes) which were illegally, erroneously, or excessively collected; or to claim amounts paid for stamps unused or used in error or excess, and (except in the case of income, estate, or gift tax) to file a claim for abate mentor over assessment of more than the correct amount of tax, interest, addition to tax, or assessable penalty; and to claim a credit, refund, or abatement of interest, penalties, or additions to tax resulting from certain actions by the IRS. Form 8849 is used to claim refunds of excise taxes.

2. USE OF DATA

The information supplied on Form 8849 is used by the IRS to determine the accuracy of the claim filed.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

The Excise Tax e-File and Compliance (ETEC) initiative allows electronic filing of Form 8849 and some of its schedules.

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 collection of information requirement 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

The information supplied on Form 8849 is used by the IRS to determine the accuracy of the claim filed. The claim's accuracy could not be confirmed with a less frequent collection and could 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**

In response to the *Federal Register* notice dated April 30, 2018 (83 FR 18871), we received no comments during the comment period regarding Form 8849.

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

No gifts or payments are being 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 "Excise Files Information Retrieval System, ExFIRS". The Department of Treasury PIAs can be found at <http://www.treasury.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.

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 6404, 6402, 6511, 6103	Form 8849	53,154	1	53,154	4.21	223,779
6404, 6402, 6511, 6103	Form 8849 Schedule 1	13,399	1	13,399	20.86	279,504
6404, 6402, 6511, 6103	Form 8849 Schedule 2	34,514	1	34,514	11.91	411,062
6426,6427 Notice 2018-21 P.L. 115-123	Form 8849 Schedule 3	4,089	1	4,089	.97	3,967
6404, 6402, 6511, 6103	Form 8849 Schedule 5	239	1	239	3.85	921
6404, 6402, 6511, 6103	Form 8849 Schedule 6	5,300	1	5,300	4.75	25,175
6404, 6402, 6511, 6103	Form 8849 Schedule 8	452	1	452	5.35	2,419
Totals		111,147		111,147		946,827

The following regulations impose no additional burden. Please continue to assign OMB No. 1545-1420 to these regulations.

301.6402-2	31.3503-1	48.6420-2
301.6404-1	48.4081-7	48.6421-3
301.6405-1	41.4481-1	48.6427-3
301.6404-3	44.6419-1	44.6419-2
301.6511(a)	301.6511(b)	301.6511(f)
301.6403-1	53.4961-2	53.4963-1

We have reviewed the regulations and have determined that the reporting requirements contained in them are entirely reflected on the form. The justification appearing in Item 1 of the supporting statement applies to the regulations.

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.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The Federal government cost estimate is based on a model that considers the following three cost factors for each information product: aggregate labor costs for development, including annualized start up expenses, operating and maintenance expenses, and distribution of the product that collects the information.

The government computes cost using a multi-step process. First, the government creates a weighted factor for the level of effort to create each information collection product based on variables such as; complexity, number of pages, type of product and frequency of revision. Second, the total costs associated with developing the product such as labor cost, and operating expenses associated with the downstream impact such as support functions, are added together to obtain the aggregated total cost. Then, the aggregated total cost and factor are multiplied together to obtain the aggregated cost per product. Lastly, the aggregated cost per product is added to the cost of shipping and printing each product to IRS offices, National Distribution Center, libraries and other outlets. The result is the Government cost estimate per product.

The government cost estimate for this collection is summarized in the table below.

<u>Product</u>	<u>Aggregate Cost per Product (factor applied)</u>		<u>Printing and Distribution</u>		<u>Government Cost Estimate per Product</u>
Form 8849 and Instructions	13903	+	0	=	13903
Form 8849 Sch 1 and Instructions	18074		0		18074
Form 8849 Sch 2 and Instructions	19365	+	0	=	19365
Form 8849 Sch 3 and Instructions	13903	+	0	=	13903
Form 8849 Sch 5 and Instructions	11917	+	0	=	11917
Form 8849 Sch 6	15492	+	0	=	15492
F8849 Sch 6 Instructions	9037	+	0	=	9037
Form 8849 Sch 8 and Instructions	15492	+	0	=	15492
Grand Total	117183		0		117183
Table costs are based on 2016 actuals obtained from IRS Chief Financial Office and Media and Publications					
* New product costs will be included in the next collection update.					

15. REASONS FOR CHANGE IN BURDEN

There are no changes to the burden previously approved by OMB.

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 sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to renew the collection and its OMB control number.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.

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.