

Internal Revenue Service
SUPPORTING STATEMENT
OMB # 1545-0143
(IRS Form 2290/SP)

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Section 4481 of the Internal Revenue Code imposes a tax on the highway use of vehicles which have a taxable gross weight of at least 55,000 pounds. Section 41.6011(a)-1 of the regulations states that the return of tax will be made on Form 2290.

2. USE OF DATA

The data is used by the IRS to verify that the correct tax has been paid. The taxpayers use Schedule 1 as proof of the payment to register the vehicle with a state government.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

We are offering electronic filing of F2290.

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

A less frequent collection of the information would result in hindering the Agency from verifying the correct amount of tax is paid and 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

We have reviewed these regulations and have determined that the reporting requirements contained in them are entirely reflected on the form.

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 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 2290	\$ 69,713		\$ 69,713
Instr 2290	\$ 21,301		\$ 21,301
Form 2290 SP	\$ 41,709		\$ 41,709
Form 2290 SP Instructions	\$ 23,238		\$ 23,238
Form 2290 SP Instructions	\$ 11,619		\$ 11,619
Grand Total	\$167,580.00		\$167,580.00
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 changes to the Form that shift the burden between ICs but there is no overall change to the burden previously approved by OMB. Payment voucher is attached to main form. IRS has shifted burden of the voucher to be included as part of the Form burden and eliminated the separate Form (voucher) and the resulting IC.

Previous	Status	Responses	Hours	Dollars	Document Type	Form No.	Form Name
Heavy Highway Vehicle Use Tax Return	Unchanged	589,000	25,244,540	0	Form	2290	Heavy Highway Vehicle Use Tax Return
					Instruction		
					Instruction		
Form 2290-V - Payment Voucher	Unchanged	580,000	161,100	0	Form	2290-V	Payment Voucher
					Form	2290/SP-V	form 2290/SP-V Payment Voucher

Current IC Title	Status	Responses	Hours	Dollars	Document Type	Form No.	Form Name
Heavy Highway Vehicle Use Tax Return	Modified	1169000	25405640	0	Form	2290	Heavy Highway Vehicle Use Tax Return
					Instruction		
					Instruction		
Form 2290-V - Payment Voucher	Removed	0	0	0	Form	2290-V	Payment Voucher
					Form	2290/SP-V	form 2290/SP-V Payment Voucher

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 regulation and/or form sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service intends to request renewal of 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 for this collection.

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.