

SUPPORTING STATEMENT
Internal Revenue
(TD 8769) Permitted Elimination of Pre-retirement Optional Forms of Benefit
OMB #1545-1545

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Regulation section 1.411(d)-4 permits a qualified plan to eliminate certain preretirement optional forms of benefit. In order to eliminate these optional forms of benefit, a plan amendment must be adopted.

2. USE OF DATA

The data will be used by employers that maintain qualified plans, plan administrators of qualified plans and participants in qualified plans as a record of the plan amendment.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

There are no plans to provide electronic filing because electronic filing is not appropriate for the collection of information in this submission due to the requirement to attach the document of record. IRS publication, regulations, notices and letters are to be electronically enabled on an as practicable basis in accordance with the IRS Reform and Restructuring Act of 1998.

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

This information collection entails recordkeeping on occasion during the amendment period that applies to the plan. A less frequent record-keeping would have no impact on Federal programs.

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.

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 September 11, 2018 (83 FR 46022), we received no comments during the comment period regarding TD 8769.

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

No sensitive personally identifiable information (PII) is collected.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

Regulation section 1.411(d)-4 generally provides that a plan amendment that eliminates the right under a plan to commence preretirement benefit distributions after age 70½ (or restricts the right by adding an additional condition) violates section 411(d)(6) if the amendment applies to benefits accrued as of the later of the adoption or effective date of the amendment, but would permit a taxpayer to amend its plan to eliminate such an optional form of benefit in certain circumstances. We estimate that a total of 135,000 taxpayers are affected by this regulation. We estimate that the total burden per record-keeper of amending their plan will vary from 10 to 30 minutes, depending on whether the taxpayer participates in a master or prototype plan or has an individually designed plan. The total number of employer record-keepers who participate in master and prototype plans is 53,568. Each has an estimated burden time of 10 minutes. This equals approximately 8,900 hours. The total number of master and prototype sponsors is 5,597. Each has an estimated burden of 30 minutes. This equals approximately 2,800 hours. The total number of employer record-keepers with individually designed plans is approximately 74,200. Each has an estimated burden of 30 minutes. This equals approximately 37,100 hours. Thus, the overall paperwork burden is approximately 48,800 hours.

Authority	Description	# of Respondents	#Responses per Respondent	Annual Responses	Hours per Response	Total Burden
IRC §1.411(d)-4	TD 8769 employer recordkeepers	53,568	1	53,538	.166	8900
IRC §1.411(d)-4	TD 8769 sponsors	5597	1	5597	.5	2800
IRC §1.411(d)-4	TD 8769 individually designed plans	74200	1	74200	.5	37100
Totals		135,000*				0
*Rounding difference of 1,635						

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

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.

15. REASONS FOR CHANGE IN BURDEN

There is no change in the paperwork burden previously approved by OMB. IRS is 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 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.