

**SUPPORTING STATEMENT**  
**Internal Revenue Service (IRS)**  
**Forms 13920 - Directed Withholding and Deposit Verification**  
**Form 13930 - Application for Central Withholding Agreement**  
**Form 13930-A Application for Central Withholding Agreement Less Than 10,000**  
**OMB Control Number 1545-2102**

**1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

Section 1441(a) of the Internal Revenue Code of 1986 requires all persons having the control, receipt, custody, disposal, or payment of certain items of income from sources within the United States of any nonresident alien individual, to deduct and withhold from such income a tax equal to 30 percent thereof. These persons are withholding agents. The income items subject to this withholding include, but are not limited to, interest, dividends, rent, salaries, wages, compensations, remunerations, and emoluments.

IRC Section 1441(a) requires withholding on certain payments of Non Resident Aliens (NRAs). Section 1.1441-4(b)(3) of the Income Tax Regulations provides that the withholding can be considered for adjustment if a CWA is applied for and granted.

Form 13930 will be used by an individual who wishes to have a Central Withholding Agreement (CWA). This form instructs the individual on how to make his application for consideration. IRS Section 1441(a) requires withholding on certain payments of Non Resident Aliens (NRAs). Section 1.1441-4(b)(3) of the Income Tax Regulations provides that the withholding can be considered for adjustment if a CWA is applied for and granted. Form 13920 is used by withholding agents to verify to IRS that required deposits were made and give the amount of such deposits. Form 13930-A is the simplified version of Form 13930 for applicants with gross income less than \$10,000.

**2. USE OF DATA**

Form 13930 and Form 13930-A will be used by CWA Tax Specialists to determine whether a CWA is appropriate in the taxpayer's situation. Form 13920 is used by withholding agents to verify to IRS that required deposits were made and give the amount of such deposits.

**3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN**

The IRS does not plan to offer electronic filing for this collection at this time due to the low volume of filers.

**4. EFFORTS TO IDENTIFY DUPLICATION**

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

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

There are no small entities affected by this collection. The collection only affects individuals per IRC section 1441.

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

The information required is needed to verify compliance with the Internal Revenue Code section 1441(a) of the Treasury Regulations. A less frequent collection of taxes and tax information could adversely affect the government's effectiveness and would reduce the oversight of the public in ensuring compliance with Internal Revenue Code and 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 June 21, 2019 (84 FR 29283), we received no comments during the comment period regarding these regulations.

**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 U.S.C. 6103.

**11. JUSTIFICATION OF SENSITIVE QUESTIONS**

A privacy impact assessment (PIA) has been conducted for information collected under this request as part of the "Individual Master File (IMF)" system and a Privacy Act System of Records notice (SORN) has been issued for this system under. Treas/IRS 24.030 Individual Master File. The Internal Revenue Service PIAs can be found at <https://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.

The Privacy Act statement associated with these form's is listed in the instructions.

**12. ESTIMATED BURDEN OF INFORMATION COLLECTION**

Form 13930 will be used by an individual who wishes to have a Central Withholding Agreement. This form instructs the individual on how to make his application for consideration. The agency

estimates 3,000 individuals will complete/submit this form, taking approximately 12 hours, for a total of 36,000 burden hours.

Form 13930-A is used by individuals with less than \$10,000 in gross income. The agency estimates that it will take 10.5 hours to complete this form, and that 1,000 individuals will complete the form for a total of 10,500 hrs.

Form 13920 is used by withholding agents to verify to IRS that required deposits were made and give the amount of such deposits. The agency estimates 8,100 responses and that it will take 20 minutes to complete the form, for a total of 2,700 annual burden hours.

Form Number	Description	# Respondents	# Responses Per Respondent- Approximate	Total Annual Responses	Hours Per Response	Total Burden
13930	Application for Central Withholding Agreement	3,000	1	3,000	12	36,000
13930-A	Application for Central Withholding Agreement Less Than 10,000	1,000	1	1,000	10.5	10,500
13920	Directed Withholding and Deposit Verification	8,100	1	8,100	20 minutes	2,700
TOTAL		12,100		12,100		49,200

**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**

New Form 13930-A, Application for Central Withholding Agreement Less than \$10,000 was added to the collection, resulting in an increase of 1,000 responses. Annual Time Burden correspondingly increased by 10,500 hours with the addition of this new form. See table below.

Form 13930-A	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses for this IC	1,000	0	1,000	0	0	0
Annual IC Time Burden (Hours)	10,500	0	10,500	0	0	0

An additional change in agency estimates results in a further increase of 26,800 burden hours. The estimated time to complete the Form 13930 reported in the previous supporting statement (4 hours per response) did not match the time listed in the Form 13930 instructions (12 hours, which is the accurate time). As such, the time per response has been corrected in this submission. See table below.

Form 13930	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses for this IC	3,000	0	0	700	0	2,300
Annual IC Time Burden (Hours)	36,000	0	0	26,800	0	9,200

The total change for the collection is summarized in the table below.

TOTAL	Requested	Program Change Due to New Statute	Program Change Due to Agency Discretion	Change Due to Adjustment in Agency Estimate	Change Due to Potential Violation of the PRA	Previously Approved
Annual Number of Responses	12,100		1,000	700		10,400
Annual Time Burden (Hr)	49,200		10,500	26,800		11,900

**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 regulations 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.