

SUPPORTING STATEMENT
Internal Revenue Service
Relief for Certain Spouses of Military Personnel
OMB # **1545-2169**

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The Military Spouses Residency Relief Act (“MSRRA”) was signed into law on November 11, 2009 (Public Law 111-97). MSRRA applies to tax year 2009 and subsequent tax years. MSRRA extends certain protections provided to servicemembers under the Servicemembers Civil Relief Act to the servicemembers’ spouses (“civilian spouses”). Under MSRRA, a civilian spouse may maintain a residence or domicile (“tax residence”) other than where he or she is physically present for tax purposes while accompanying the servicemember spouse to a military duty station. Additionally, the civilian spouse may not be required to pay taxes on income from services derived from sources in a jurisdiction outside his or her chosen tax residence under MSRRA.

This collection provides guidance to taxpayers who claim the benefits of the tax provisions under MSRRA for tax year 2009 and subsequent tax years. The collection provides civilian spouses working in a U.S. territory but claiming a tax residence in one of the 50 States or the District of Columbia (“U.S. mainland”) under MSRRA with an extension of time for paying the tax due the Internal Revenue Service (“IRS”) (Internal Revenue Code § 6161). Additionally, these documents provide civilian spouses working on the U.S. mainland but claiming a tax residence in a U.S. territory under MSRRA with guidance on filing claims for refund of federal income taxes that their employers withheld and remitted to the IRS or estimated tax payments the taxpayers paid to the IRS.

Notice 2010-30, as modified by Notice 2012-41 - On June 07, 2012, the Treasury Department and the IRS published Notice 2012-41, which extended the relief and procedures announced in Notice 2010-30 to the subsequent taxable years. This notice further extended the relief set forth in Notice 2010-30 for civilian spouses described in the prior paragraph to taxable years beginning after November 11, 2010 and subsequent calendar years and provides that such civilian spouses should follow the applicable procedures described in Notice 2010-30.

2. USE OF DATA

The collection of information relates to the notice’s requirement that civilian spouses seeking the relief provided in the notice attach a signed declaration to their federal income tax returns stating that they are eligible for the benefits provided under MSRRA. This information will be used to verify a civilian spouse’s eligibility for MSRRA benefits.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

IRS has no plans to provide electronic filing because it is not practicable for the

collection of information in this notice. This notice requires taxpayers seeking the relief provided by the notice to attach a signed declaration to their federal income tax returns stating that they are eligible for the benefits provided by MSRRA. Such a declaration cannot be included with a federal income tax return under the current electronic filing system.

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. IRS has attempted to eliminate duplication within the agency wherever possible.

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.

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

A less frequent collection will not enable the IRS to verify a civilian spouse's eligibility for Military Spouses Residency Relief Act ("MSRRA") benefits and would be unable to meet its mission.

2. 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).

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

On April 15, 2010, the Department of the Treasury (Treasury Department) and the Internal Revenue Service (IRS) published Notice 2010-30, 2010-18 I.R.B. 650, which provided relief and procedures for certain taxpayers who are spouses (civilian spouses) of active duty members of the uniformed services (servicemembers). April 8, 2011, the Treasury Department and the IRS published Notice 2011-16, 2011-17 I.R.B. 720, which extended the relief and procedures announced in Notice 2010-30 to the first taxable year beginning after November 11, 2009 (generally, this would be calendar year 2010).

The Treasury Department and the IRS published on June 25, 2012, Notice 2012-41, 2012-26 I.R.B. 1048, which further extended the relief set forth in Notice 2010-30 for civilian spouses described in the prior paragraph to taxable years beginning after

November 11, 2010 (generally, these will be calendar year 2011 and subsequent calendar years, referred to hereinafter as 2011 and subsequent taxable years), and provides that such civilian spouses should follow the applicable procedures described in Notice 2010-30.

Periodic meetings are held between IRS personnel and representatives of the American Bar Association, the National Society of Public Accountants, the American Institute of Certified Public Accountants, and other professional groups to discuss tax law and tax forms. During these meetings, there is an opportunity for those attending to make comments regarding the requirements outlined in these notices.

IRS received no comments during the comment period in response to the **Federal Register** notice (84 FR 71081), dated December 26, 2019.

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

No payment or gift has been provided to any respondents.

5. ASSURANCE OF CONFIDENTIALITY OF RESPONSES

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

6. JUSTIFICATION OF SENSITIVE QUESTIONS

A privacy impact assessment (PIA) has been conducted for information collected on individual income tax returns related to 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 IRS 24.030--Customer Account Data Engine Individual Master File, formerly Individual Master File, and IRS 34.037--IRS Audit Trail and Security Records System. 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

7. ESTIMATED BURDEN OF INFORMATION COLLECTION

The collections of information in this notice are in Part III(A)(1)(b) and III(B)(1)(a). This information will be used to verify a taxpayer’s eligibility for the benefits provided under the tax provisions of MSRRA. The collection of information is required to obtain a benefit. The likely respondents are individuals.

The estimated number of such transactions per year is 6,200. The estimated average annual burden per applicant to provide information required is 1 hour, and the total annual recordkeeping burden is 6,200 hours.

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
Notice 2010-30 Part III(A)(1)(b) Part III(B)(1)(a)	Military Spouses Residency Relief Act	6,200	1	6,200	1	6,200
Totals		6,200		6,200		6,200

8. ESTIMATED TOTAL ANNUAL COST BURDEN TO RESPONDENTS

As suggested by OMB, our Federal Register notice dated December 26, 2019, requested public comments on estimates of cost burden that are not captured in the estimates of burden hours, i.e., estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. However, we did not receive any responses from taxpayers on this subject. As a result, estimates of these cost burdens are not available currently.

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.

9. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

There are no known annualized costs to the federal government.

10. 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.

11. PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

There are no plans for tabulation, statistical analysis and publication.

12. 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.

13. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions to the certification statement.

Note: The following paragraph applies to all 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.