



**DEPARTMENT OF THE TREASURY**  
**WASHINGTON, D.C. 20220**

**TO:** Alex Goodenough, Office of Information and Regulatory Affairs

**FROM:** Ryan Law, Deputy Assistant Secretary  
for Privacy, Transparency, and Records

**SUBJECT:** Justification for Emergency Processing: Employer's Quarterly Federal Tax Return,  
OMB #1545-0029

Pursuant to the Office of Management and Budget (OMB) procedures established at 5 CFR 1320, the Internal Revenue Service (IRS) requests that the following collection of information, Employer's Quarterly Federal Tax Return, be processed in accordance with section 1320.13 Emergency Processing. The IRS has determined that this information must be collected prior to the expiration of time periods established under Part 1320, and that this information is essential to the IRS's ability to effectively implement Division G of P.L. 116-127, the Families First Coronavirus Response Act (FFCRA), and Section 2301 of P.L. 116-136, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, addressing the economic disruption stemming from the Novel (new) Coronavirus ("2019-nCoV") global pandemic.

New Form 7200 was developed for an employer to receive an advance payment of the refundable portion of credit for qualified sick and family leave wages or compensation pursuant to Division G of the FFCRA, and to receive an advance payment of the refundable portion of the employee retention credit pursuant to Section 2301 of CARES, that will be claimed on Form 941, Form 943, Form 944, or Form CT-1. Because an employment tax return isn't filed until some period of time (generally, a month after the end of the quarter for which wages are being reported) after wages are required to be paid, an employer may not be able to fund the sick leave or family leave required by the FFCRA or fund the qualified wages under CARES. This may create financial hardship to businesses that are unable to request an advance payment, so the agency is requesting an emergency approval of Form 7200.

Given the critical impact of the global pandemic of 2019-nCoV, and the damaging effects on the US economy, Treasury has directed an extremely expeditious implementation of the new legislation, to be able to inject the necessary funds to the impacted employers. As a result, Treasury is unable to consult with the public prior to issuing the forms, however the IRS has ample experience designing other similar forms in a way that is clear and minimizes burden. Also, due to the nature of this ICR, being voluntary and only one avenue to receive the benefit of the tax credit (the preferred and recommended avenue is for employers to reduce their FICA deposits, as noted in the Form 7200), the estimated number of respondents, and the associated burden is extremely preliminary and provided only to comply with the requirements of 5 CFR 1320.3. Updated burden estimates will be provided as part of the renewal of OMB #1545-0029, Employer's Quarterly Federal Tax Return.

Treasury requests approval of the submission by March 31, 2020. Given the inability to seek public comment during such a short timeframe, Treasury requests a waiver from the requirement to publish notice in the Federal Register seeking public comment during the period of OMB review. Public comment will be solicited in conjunction with any future extension of the approval to collect this information.