

Justification for Non-Substantive Change

The Internal Revenue Service (IRS) requests a non-substantive change to OMB Control No. 1545-0029, Employer's Quarterly Federal Tax Return, in order to update the 941 series forms to incorporate provisions of recent legislation. In March 2020, the IRS revised 1545-0029 under emergency procedures in order to implement Division G of P.L. 116-127, the Families First Coronavirus Response Act 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. The new Form 7200 was added during that revision, enabling employers 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 the CARES Act, that will now be claimed on second quarter Form 941, Form 941-SS, or Form 941-PR.

Given the urgency of the pandemic response it was not possible to include updates to the Form 941 series during the previous revision, however updated versions of the Form 941, 941-SS and 941-PR are now being added for usage in the quarterly filings due on July 31. These forms incorporate fields for the reporting of new employment tax credits and other tax relief related to COVID-19. The estimated number of respondents and the associated burden have been updated to reflect the changes, but are preliminary. Updated burden estimates will be provided as part of the renewal of OMB #1545-0029, Employer's Quarterly Federal Tax Return in September 2020.