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Supporting Statement  
Internal Revenue Service  
(Form 8655) Reporting Agent Authorization;  
Revenue Procedure 2012-32  
OMB No. 1545-1058

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Internal Revenue Code section 3504 allows specific acts to be performed by Agents on behalf of the taxpayer. Internal Revenue Code section 6011 and 6064 address the requirements of making a return, statement, or list and signature authentication. Revenue Procedure 2012-32, (which modified and superseded Revenue Procedure 2007-38), provides the requirements for completing and submitting Form 8655, *Reporting Agent Authorization*. The Reporting Agent Authorization allows a taxpayer to designate a Reporting Agent to perform the following acts on behalf of a taxpayer.

(1) Sign and electronically file Form 940, Form 941, and those forms set forth in section 4.01(1) of the revenue procedure.

(2) Sign and file on paper the forms set forth in section 4.02(2).

(3) Make federal tax deposits (FTDs) and other federal tax payments (FTPs) electronically and submit FTD information and FTP information electronically.

(4) Receive duplicate copies of information as described in section 4.02(4).

2. USE OF DATA

The Reporting Agent Authorization is submitted by the reporting agent. A reporting agent is a person or organization preparing and filing electronically the federal tax returns and/or submitting federal tax deposits. The Form 8655 provides the only signature authority for electronically filed returns and deposits. The form also permits the IRS to disclose tax account information and to provide duplicate copies of taxpayer correspondence. The authorization remains in effect until revoked by the taxpayer, the reporting agent or the IRS. The Service will not provide information to the reporting agent without an authorization signed by the taxpayer. Form 8655 standardizes submissions and provides a convenience to the users.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

We have no plans at this time to offer electronic filing because of the low volume of filers.

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

A less frequent collection will not enable the IRS to verify that taxpayer authorizes the reporting agent in accordance with the Internal Revenue Code § 3504 which would cause an improper disclosure without proper authorization from the taxpayer.

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 May 21, 2020 (85 FR 31026), IRS received no comments during the comment period regarding Form 8655 and Rev. Proc. 2012-32.

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

No payment or gift will be 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

A privacy impact statement (PIA) has been conducted for information collected under this request as part of the "Electronic Federal Payment Posting System, EFPPS" system and a Privacy Act System of Records notice (SORN) has been issued for this system under Treasury/IRS 22.054 Subsidiary Accounting Files; Treasury/IRS 22.060-Automated Non-Master File (ANMF); Treasury/IRS 22.062-Electronic Filing Records; Treasury/IRS 24.046-Business Master File ((BMF)-Taxpayer Services); Treasury/IRS 24.030-Individual Master File; Treasury/IRS 34.037-Audit Trail and Security Records System.

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.

12. ESTIMATED BURDEN OF INFORMATION COLLECTION

The burden is as follows:

Based on estimates provided by Service personnel who deal extensively with reporting agent issues, the Rev. Proc. 2012-32 burden generated by section 5.05 is estimated to require 12,750 recordkeeping hours per year (estimated 4,250 reporting agents x three hours per year). The Form 8655 burden is anticipated to have 110,000 respondents annually and 7.33 hours per respondent for a total burden of 806,050.

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
IRC § 3504	Rev Proc 2012-32	4,250	1	4,250	3	12,750
IRC § 3504	Form 8655	110,000	1	110,000	7.33	806,300
<b>Totals</b>		<b>114,250</b>				<b>819,050</b>

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

The Federal government cost estimate is based on a model that considers the following three cost factors for each information product: aggregate labor costs for development, including annualized start up expenses, operating and maintenance expenses, and distribution of the product that collects the information.

The government computes cost using a multi-step process. First, the government creates a weighted factor for the level of effort to create each information collection product based on variables such as; complexity, number of pages, type of product and frequency of revision. Second, the total costs associated with developing the product such as labor cost, and operating expenses associated with the downstream impact such as support functions, are added together to obtain the aggregated total cost. Then, the aggregated total cost and factor are multiplied together to obtain the aggregated cost per product. Lastly, the aggregated cost per product is added to the cost of shipping and printing each product to IRS offices, National Distribution Center, libraries and other outlets. The result is the Government cost estimate per product.

The government cost estimate for this collection is summarized in the table below.

<b>Product</b>	<b><u>Aggregate Cost per Product (factor applied)</u></b>		<b><u>Printing and Distribution</u></b>		<b><u>Government Cost Estimate per Product</u></b>
Form 8655	10,936	+	0	=	10,936
<b>Grand Total</b>	<b>10,936</b>				<b>10,936</b>
Table costs are based on 2016 actuals obtained from IRS Chief Financial Office and Media and Publications					
* New product costs will be included in the next collection update.					

15. REASONS FOR CHANGE IN BURDEN

There is no change to 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 form sunsets as of the expiration date. Taxpayers are not likely to be aware that the IRS 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 for this collection.

**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.