

1SUPPORTING STATEMENT
Internal Revenue Service
Form 211 (Application for Reward for Original Information)
OMB # 1545-0409

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

The Whistleblower Office was established as a result of enactment of the Tax Relief and Health Care Act of 2006 (the Act), signed into law on December 20, 2006. Section 406 of the Act amended IRC 7623 concerning the payment of awards. Individuals are eligible for an award based on the amount collected as a result of any administrative or judicial action in which the Internal revenue Service (IRS) proceeded based on information provided. The Whistleblower Office:

- a. Reviews and evaluates claims filed for award filed by whistleblowers.
- b. Coordinates whistleblower claims with other functions within the Service.
- c. Monitors claims throughout the life of each claim, including through the investigation, examination, appeals, and collection process.
- d. Evaluates the benefit of the information brought forward by the whistleblower.
- e. Makes a determination about the appropriateness of an award.
- f. Determines the appropriate percentage for award.
- g. Chairs the Whistleblower Executive Board which provides executive level coordination and direction for the whistleblower program.
- h. Facilitates communication with external and internal customers and stakeholders concerning the Whistleblower Program.

The IRS has generally referred to persons who submit information under section 7623 as “informants,” and referred to the program as the “Informant Claims Program.” A whistleblower who wishes to report possible instances of tax fraud by another individual, and does not want an award, must complete public use Form 3949 A (1545-1960), Information Referral, or provide the information via a letter. If the whistleblower indicates he or she wants an award, the whistleblower can complete Form 211, Application for Award for Original Information. Notice 2008-4 was published to provide instructions on how to complete Form 211 and where to send it.

2. USE OF DATA

IRS uses the information on this form to carry out the internal revenue laws of the United States. The authority to ask for this information is 26 USC 7623. Failure to collect the information will prevent taxpayers from providing the necessary information to comply with the current tax laws.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

There is no plan to offer electronic filing for this collection 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 for use or adaptation from another source.

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

There is minimal to no burden on small businesses or entities affected by this collection.

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

IRS uses the information on Form 211 to carry out the internal revenue laws of the United States. The authority to ask for this information is 26 USC 6109 and 7623. Failure to collect the information will prevent taxpayers from providing the necessary information to comply with the current tax laws.

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 August 21, 2020 (85 FR 51848), IRS received no comments relating to Form 211.

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 assessment (PIA) has been conducted for information collected under this request as part of the “Fraud Inventory Management System (FIMS)” system and a Privacy Act System of Records notice (SORN) has been issued for this system under:

Treas/IRS 24.030-- CADE Individual Master File;
 Treas/IRS 24.046- CADE Business Master File;
 Treas/IRS 42.001-- Examination Admin Files;
 Treas/IRS 42.031--Anti-Money Laundering /Bank Secrecy Act (BSA) and Form 8300 Records.

The Internal Revenue Service PIA’s can be found at <http://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:

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
IRC 7623	Application for Reward for Original Information	15,000	1	15,000	.75	11,250
Totals		15,000				11,250

The following regulation imposes no additional burden. Please continue to assign OMB number 1545-0409 to this regulation.

301.7623-L(f)

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

The number of filers have been reduced by 5,000, due to adjustments in agency estimates based on recent filing data.

	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	15,000	0	0	5,000	0	20,000
Annual Time Burden (Hr)	11,250	0	0	3,750	0	15,000

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 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.