

**Supporting Statement**  
**Internal Revenue Service**  
**(Form 13560) Health Plan Administrator (HPA) Return of Funds**  
**OMB No. 1545-1891**

**1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION**

Form 13560 will be provided in the Health Coverage Tax Credit (HCTC) Health Plan Administrator Operations Guide and may also be sent separately via email, fax, or mail to health plan administrators (HPAs). Form 13560 is completed by HPAs and accompanies a return of funds in order to ensure proper handling. The HPA is requested to send the completed form to one of the following applicable recipients: HCTC Finance & Accounting Center, Beckley Finance Center, or the U.S. Treasury. This form serves as supporting documentation for any funds returned by an HPA and clarifies where the payment should be applied and why it is being sent. Additionally, recipients may contact the HCTC Finance & Accounting Center for help in completing this form. Internal Revenue Code Sections 35 and 7527 enacted by public law 107-210 require the Internal Revenue Service to make the advance HCTC Program available to eligible individuals beginning August 1, 2003. Form 13560 will help ensure that when an HPA returns funds, the payment will be applied correctly.

**2. USE OF DATA**

The information collected in Form 13560 will be used for internal purposes only by the applicable financial center to ensure that returned funds are applied correctly.

**3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN**

The IRS plans to electronically enable both existing and future tax products on a practicable basis in accordance with the IRS Reform and Restructuring Act of 1998. Due to the low number of filers, the IRS has no plans to offer electronic filing for this collection.

**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**

If less frequent collection occurred, the Government will not be able to properly account for its portion of the insurance premium funds. Therefore, it would hinder the US Department of Treasury in achieving its mission.

**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 September 16, 2020 (85 FR 57934), IRS received no comments during the comment period regarding Form 13560.

**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 "Business Master file (BMF)" and a Privacy Act System of Records notice (SORN) has been issued for these systems under IRS 22.062 – Electronic Filing Records; IRS 24.030 – Customer Account Data Engine (CADE) Individual Master File; IRS 24.046 - CADE Business Master File (BMF); IRS 34.037 - IRS Audit Trail and Security Records System. The Internal Revenue Service PIA's 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

It is anticipated that there will be 200 respondents annually and the per response time would be approximately .25 hours. The burden estimate is as follows:

Authority	Description	# of Respondents	# Responses per Respondent	Annual Responses	Hours per Response	Total Burden
IRC § 35 and 7527	Form 13560	200	1	200	.25	50
Totals				200		50

Estimates of the annualized cost to respondents for the hour burdens shown are not available at this time.

## 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 primary cost to the government consists of the cost of printing Form 13560. We estimate the cost of printing the form is \$100.00.

## 15. 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.

## 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 ON OMB FORM 83-I**

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.