

**Supporting Statement for SSA-7104
Partnership Questionnaire
20 CFR 404.1080-404.1082(e)
OMB No. 0960-0025**

A. Justification

1. Introduction/Authoring Laws and Regulations

Section 205(b)(1) of the Social Security Act (*Act*) directs the Commissioner of the Social Security Administration (SSA) to make findings and decisions as to the rights of individuals applying for payments under the *Act*. Section 205(c)(2)(A) of the *Act* requires the Commissioner to establish and maintain records of such individuals. Sections 20 CFR 404.1080-404.1082(e) of the *Code of Federal Regulations*, define a partnership as two or more people joined to carry on a trade or business. Each partner contributes in one or more ways with money, property, labor or skill; and shares in the profits and risks of loss in accordance with the partnership agreement or understanding. To carry out these laws and governing regulations, SSA uses Form SSA-7104, Partnership Questionnaire.

2. Description of Collection

SSA considers partnership income in determining entitlement to Social Security benefits. SSA uses information from Form SSA-7104 to determine several aspects of eligibility for benefits, including the accuracy of reported partnership earnings; the veracity of a retirement; and lag earnings where SSA needs this information to determine the status of the insured. The respondents are applicants for, and recipients of, Title II Social Security benefits who are reporting partnership earnings.

3. Use of Information Technology to Collect the Information

Form SSA-7104 is available as a PDF online, for respondents to fill out, print, and send to SSA for processing. This collection does not currently have a fully public-facing Internet version, as we prioritized other information collections for full electronic conversions. As per our 4/3/20 conversation with OIRA, we welcome OIRA to join our conversations with OMB on IT Mods; however, as our IT Mod programming is an ongoing project, we cannot provide timelines for when we will be able to make any particular ICR available via the Internet. We will convert existing ICRs to full electronic versions depending on how they fall within our overall IT Mod schema, but this is unconnected to the PRA approval lifecycle.

4. Why We Cannot Use Duplicate Information

The nature of the information we collect and the manner in which we collect it precludes duplication. SSA does not use another collection instrument to obtain similar data.

5. **Minimizing Burden on Small Respondents**
This collection does not significantly affect small businesses or other small entities.
6. **Consequence of Not Collecting Information or Collecting it Less Frequently**
If we did not use Form SSA-7104, the agency might not be able to make proper eligibility determinations, potentially causing incorrect payments to beneficiaries. In addition, because SSA collects this information on an as needed basis, the agency cannot collect it less frequently. There are no technical or legal obstacles to burden reduction.
7. **Special Circumstances**
There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with 5 *CFR* 1320.5.
8. **Solicitation of Public Comment and Other Consultations with the Public**
The 60-day advance Federal Register Notice published on November 27, 2020, at 85 FR 76142, and we received no public comments. The 30-day FRN published on January 28, 2021 at 86 FR 7446. If we receive any comments in response to this Notice, we will forward them to OMB
9. **Payment or Gifts to Respondents**
SSA does not provide payments or gifts to the respondents.
10. **Assurances of Confidentiality**
SSA protects and holds confidential the information it collects in accordance with 42 *U.S.C.* 1306, 20 *CFR* 401 and 402, 5 *U.S.C.* 552 (Freedom of Information Act), 5 *U.S.C.* 552a (Privacy Act of 1974), and OMB Circular No. A-130.
11. **Justification for Sensitive Questions**
The information collection does not contain any questions of a sensitive nature.
12. **Estimates of Public Reporting Burden**

Modality of Completion	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Total Annual Burden (hours)	Average Theoretical Hourly Cost Amount (dollars)*	Average Wait Time in Field Office (minutes)**	Total Annual Opportunity Cost (dollars)***
SSA-7104 (submission via mail)	6,175	1	30	3,088	\$25.72*		\$79,423***
SSA-7104 (completed in or	6,175	1	30	3,088	\$25.72*	24**	\$142.952***

brought to a field office)							
Totals	12,350			6,175			\$222,375***

* We based this figures on average U.S. citizen’s hourly salary, as reported by Bureau of Labor Statistics data (https://www.bls.gov/oes/current/oes_nat.htm).

** We based this figure on the average FY 2020 wait times for field offices, based on SSA’s current management information data.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. **There is no actual charge to respondents to complete the application.**

Total Number of Respondents Who Visit a Field Office	Frequency of Response	Average One-Way Travel Time to a Field Office (minutes)	Estimated Total Travel Time to a Field Office (hours)	Total Annual Opportunity Cost for Travel Time (dollars)****
6,175	1	30	3,088	\$79,423****

****We based this dollar amount on the Average Theoretical Hourly Cost Amount in dollars shown on the burden chart above.

We base our burden estimates on current management information data, which includes data from actual interviews, as well as from years of conducting this information collection. Per our management information data, we believe that 10 minutes accurately shows the average burden per response for reading the instructions, gathering the facts, and answering the questions. Based on our current management information data, the current burden information we provided is accurate. The total burden for this collection instrument is **6,176** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$301,798**. SSA does not charge respondents to complete our applications.

13. **Annual Cost to the Respondents (Other)**

This collection does not impose a known cost burden on the respondents.

14. **Annual Cost To Federal Government**

The annual cost to the Federal Government is approximately **\$138,531**. This estimate accounts for costs from the following areas:

Description of Cost Factor	Methodology for Estimating Cost	Cost in Dollars*
Designing and Printing the Form	Design Cost + Printing Cost	\$125
Distributing, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	\$0
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	GS-9 employee x # of responses x processing time	\$134,986
Full-Time Equivalent Costs	Out of pocket costs + Other expenses for providing this service	\$0
Systems Development, Updating, and Maintenance	GS-9 employee x man hours for development, updating, maintenance	3,420
Quantifiable IT Costs	Any additional IT costs	
Other	[Component may add as needed]	
Total		\$138,531

* We have inserted a \$0 amount for cost factors that do not apply to this collection.

SSA is unable to break down the costs to the Federal government further than we already have. Since we work with almost every US citizen, we often do bulk mailings, and cannot track the cost for a single mailing. In addition, it is difficult for us to break down the cost for processing a single form, as field office, because so many employees have a hand in each aspect of our forms, we use an estimated average hourly wage, based on the wage of our average field office employee (GS-9) for these calculations. However, we have calculated these costs as accurately as possible based on the information we collect for creating, updating, and maintaining these information collections.

15. **Program Changes or Adjustments to the Information Collection Request**
There are no changes to the public reporting burden.

16. **Plans for Publication Information Collection Results**
SSA will not publish the results of the information collection.

17. **Displaying the OMB Approval Expiration Date**
OMB granted SSA an exemption from the requirement to print the OMB expiration date on its program forms. SSA produces millions of public-use forms with life cycles exceeding those of an OMB approval. Since SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis),

OMB granted this exemption so SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, avoiding Government waste.

18. Exceptions to Certification Statement

SSA is not requesting an exception to the certification requirements at *5 CFR 1320.9* and related provisions at *5 CFR 1320.8(b)(3)*.

B. Collections of Information Employing Statistical Methods

SSA does not use statistical methods for this information collection.