

1SUPPORTING STATEMENT
Internal Revenue Service
Form 8609, Low-Income Housing Credit Allocation and Certification,
Form 8609-A, Annual Statement for Low-Income Housing Credit
OMB Control Number 1545-0988

1. CIRCUMSTANCES NECESSITATING COLLECTION OF INFORMATION

Internal Revenue Code (IRC), Section 38 list the allowed general business credits that can be claimed for a taxable year. IRC, Section 42 allows owners of certain low-income residential rental properties a tax credit equal to the applicable percentage of the qualified basis of each qualified low-income building.

Form 8609, is used by owners of residential low-income rental buildings; to obtain a housing credit allocation from their specific housing credit agency. To qualify for this credit, the owner of the building(s) applies to the state housing credit agency for an allocation of the state's ceiling of the low-income housing credit.

Form 8609-A, is completed and filed by low-income building owners annually during the 15-year compliance period, whether or not a low-income housing credit is claimed for the tax year.

2. USE OF DATA

The information is used by the Service to compute and verify the tax credit claimed for low-income housing.

3. USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN

Electronic filing of Forms 8609 and 8609-A is currently available.

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 IRS proactively works with both internal and external stakeholders to minimize the burden on small businesses, while maintaining tax compliance. The Agency also seeks input regarding the burden estimates from the public via notices and tax product instructions. There will be minimal if any impact to small businesses. The forms can be filed electronically, which further reduces any burden to small businesses.

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

Consequences of less frequent collection on federal programs or policy activities would consist of decreased amount of taxes collected by the Service, inaccurate and untimely filing of tax returns, and an increase in tax violations. The information is used by the Service to compute and verify the tax credit claimed for low-income housing. Failure of the IRS to obtain this information will hinder the IRS from meeting 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**

We received two comments during the comment period in response to the Federal Register notice dated November 25, 2020 (85 FR 75406).

The first comment was submitted by Garth Reiman, Director of Housing Advocacy and Strategic Initiatives with the National Council of State Housing Agencies. The second comment was submitted by Emily Cadik, Executive Director of the Affordable Housing Tax Credit Coalition. These comments have been submitted to the applicable parties for review and insight, but at the time of this information collection submission we did not receive a determination.

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

No payment or gift has been 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)” system and a Privacy Act System of Records notice (SORN) has been issued for this system under IRS 24.046-Customer Account Data Engine Business Master File. 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

Burden associated with specific elections are identified on the attached burden table and the total burden identified is:

Form	# Respondents	# Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Burden
8609	15,000	1	15,000	18.29	246,915
Line 11 Worksheet	1,500**	1	1,500	1.70	2,550
8609-A	15,000	1	15,000	11.03	165,450
Total	30,000		30,000		414,915

****These responses are included in the Form 8609 but are broken down separately here for burden calculations.**

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

Product	Aggregate Cost per Product (factor applied)		Printing and Distribution		Government Cost Estimate per Product
Form 8609	10,024	+	0	=	10,024
Form 8609 Instructions	2,734	+	0	=	2,734
Form 8609-A	10,024	+	0	=	10,024
Form 8609-A Instructions	2,734	+	0	=	2,734
Grand Total	25,516		0		25,516

Table costs are based on 2020 actuals obtained from IRS Chief Financial Office and Media and Publications

15. REASONS FOR CHANGE IN BURDEN

There is no change in the paperwork burden previously approved by OMB. We are 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 regulation sunsets as of the expiration date. Taxpayers are not likely to be aware that the Service 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.

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.